FINANCIAL TIMES

THURSDAY 18 MAY 2017 | WORLD BUSINESS NEWSPAPER | UK £2.70 Channel Islands £3.00; Republic of Ireland €3.00

Power play
Pakistan's deepening relationship with China — BIG READ, PAGE 9

WannaCry winner
Why Microsoft will benefit from the cyber attack — JOHN GAPPER, PAGE 11

Tricky ally
What is at stake for Russia in Iran's election? — ROULA KHALAF, PAGE 10

May reticence raises doubts on Hammond

Theresa May, pictured with Philip Hammond during a campaign event in east London yesterday, repeatedly declined to confirm whether her chancellor would continue in his role if she won the election, adding to rumours of a cabinet reshuffle after the June vote.

The prime minister, who will today launch the Conservative party's manifesto, is set to abandon her predecessor David Cameron's plans to put a £72,000 cap on total social care costs for the over-65s from 2020. In a move likely to disappoint wealthy Tory voters, her more modest reforms would expose wealthy pensioners to unlimited social care costs if they develop a long-term condition such as dementia.
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Stefan Rousseau/PA Wire

Trump faces escalating crisis after Congress demands Comey memo

- Ex-FBI chief's note claims president sought to halt Russia probe
- Turmoil hits markets

DEMETRI SEVASTOPULO — WASHINGTON

Donald Trump was facing a mounting threat to his presidency yesterday as the US Congress demanded to see any evidence relating to claims that he had sought to halt investigations into alleged links between his election campaign and Russia.

The Senate intelligence committee and House oversight committee separately asked the FBI to produce a memo by James Comey that the ousted agency head wrote following a private meeting with Mr Trump.

The Senate justice committee, meanwhile, asked the White House to produce any information, including audio recordings, relating to communications between Mr Comey and the president.

After Mr Trump fired Mr Comey, he tweeted: "James Comey better hope that there are no 'tapes' of our conversations before he starts leaking to the press!"

The suggestion that Mr Trump may have obstructed justice by putting pressure on the FBI has deepened the turmoil surrounding his presidency.

Stock markets slid in response as investors piled into haven assets. The benchmark S&P 500 was poised for its biggest daily loss since the election, down 1.5 per cent at 2,365 in late afternoon. The dollar fell to its lowest level since Mr Trump won the election last November. By contrast, gold and the 10-year US Treasury rallied.

Mr Trump hit back in a speech to US Coast Guard cadets. "Look at the way I have been treated lately, especially by the media," he said. "No politician in history has been treated worse or more unfairly."

As part of a broad investigation into Russian interference in the presidential election, the FBI is examining connections between Trump campaign aides, including Michael Flynn, the former national security adviser, and Russian officials. According to a memo written by Mr Comey, Mr Trump asked him to stop investigating Mr Flynn, who had been fired the previous day.

Mr Trump sacked Mr Comey last week, saying his decision was based partly on his view that the "Russia thing" was a politically motivated investigation.

Democrats have pounced on the Comey memo as evidence of the need for an independent investigation, while some Republicans have felt compelled to take a tougher stance on the White House.

'Look at the way I have been treated lately, especially by the media. No politician in history has been treated worse or more unfairly'

John McCain, the Arizona senator, said the scandals engulfing Mr Trump were nearing "Watergate size and scale", in a reference to the issue that toppled Richard Nixon. Jason Chaffetz, the Republican who chairs the House oversight committee, suggested he would force the FBI to hand over any documents. "I need to see it sooner rather than later. I have my subpoena pen ready," he said.

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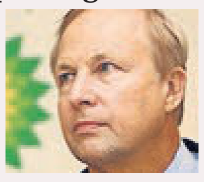
Briefing

▸ Merkel fires toughest Brexit message
The German chancellor has warned the UK it will pay a price if it limits migration from the EU after Brexit, in her toughest message so far about the potential costs to Britain of leaving the bloc.— PAGE 7

▸ SSE profits rise as heat is turned up
The energy provider has reported increased profits against a background of rising political pressure on utilities and the loss of 200,000 customers. It raised prices 7 per cent in April.— PAGE 13; LEX, PAGE 12

▸ Dudley's 40% pay cut helps swing BP vote
The oil group has won a vote on its new pay policy after cutting remuneration for chief executive Bob Dudley by $8m after an investor rebellion.
— REPORT & LOMBARD, PAGE 18



▸ Buy-to-let purchases ease in April
Purchases of buy-to-let properties have fallen back, suggesting amateur landlords have been deterred from the market by the loss of a valuable tax relief on mortgage interest and a stamp duty hit.— PAGE 2

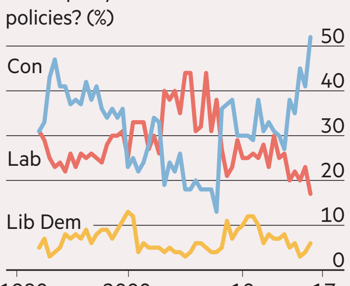
▸ Facebook set for fine over WhatsApp
The European Commission is set to fine Facebook for misleading authorities during the 2014 takeover of WhatsApp, in the latest case of Brussels taking on a Silicon Valley giant over its data practices.— PAGE 13

▸ US consumers rack up $12.7tn in debt
Household debt has surpassed its pre-crisis peak, exposing some categories of borrowers to strain as they try to meet obligations.— PAGE 4

▸ Personal finance awards for FT writers
FT Money editor Claer Barrett has won Financial Commentator of the Year for the second year in a row and Josephine Cumbo won Pensions Journalist of the Year at the Headline Money Awards.

Datawatch

Question of trust
Which party has the best economic policies? (%)



Source: Ipsos Mori

Some 52 per cent of Britons say the Conservatives have the best economic policies, with 17 per cent saying the same of Labour. That is the Tories' highest rating on steering the economy since Ipsos Mori started asking the question in 1990

Car park sells for $3bn as Hong Kong real estate bonanza goes up a level

JENNIFER HUGHES — HONG KONG

A Hong Kong developer has paid $3bn for an old five-storey car park, the latest indicator of the frenzied state of the territory's property market.

The sale was the first in the premier Central district since Hong Kong was handed over to China by the UK in 1997. It sets the world's most expensive city even further apart from international rivals such as New York and London.

Local developer Henderson Land bought a site covering 31,000 square feet, paying HK$50,064 ($6,400) per square foot based on its potential gross footage, once redeveloped. It was a record lump sum for Hong Kong and a record also per square foot.

The company would need to charge as much as $419 per square foot per year in rent for office space — about 50 per cent more than the most sought-after units on the top floors of the city's premier building, Two International Financial Centre — according to analysts at Nomura who benchmarked it to the yields achieved by Henderson's rivals.

Office rents have soared in Hong Kong and vacancy rates have remained low as an influx of Chinese tenants has raised prices at Two IFC to as much as $279 per square foot per year. Those rents are 75 per cent higher than the equivalent in New York, which hosts the world's second-most expensive offices.

But other property experts said that the price Henderson paid for its car park looked more eye-catching than eye-watering when the site's rarity and Hong Kong developers' long-term approach were taken into account.

"It seems outrageous but it's not totally stupid," said Peter Churchouse, a Hong Kong-based property expert, who estimated the development could yield between 2.5 per cent and 3 per cent.

Prime commercial property in Asian cities such as Hong Kong, Singapore and Tokyo rarely changes hands. Hongkong Land, the property arm of Hong Kong-based conglomerate Jardine Matheson, bought its first plots in Central in 1901 and still owns them today.

Henderson is controlled by Lee Shau-kee, Hong Kong's second-richest tycoon, whose wealth has been put at $21bn by Bloomberg. At 89, Mr Lee is six months older than the city's richest tycoon, Li Ka-shing, whose Cheung Kong empire also bid for the car park.

The site, at Murray Road, is squeezed between Mr Li's flagship Cheung Kong Center, home to companies including Goldman Sachs, Bloomberg and Barclays, and his smaller Hutchison House.

Wages drop despite record job rate and rising inflation

British wages have fallen in real terms for the first time in almost three years, despite record employment rates and accelerating inflation. According to official forecasts, inequality is also expected to increase in the next few years because the benefits that top up the incomes of low-paid workers have been frozen in cash terms. The latest data suggest that the average worker will still earn less in 2021 than he or she did in 2008.
Report ▸ PAGE 2

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World Markets

STOCK MARKETS

	May 17	prev	%chg
S&P 500	2375.84	2400.67	-1.03
Nasdaq Composite	6074.96	6169.87	-1.54
Dow Jones Ind	20742.73	20979.75	-1.13
FTSEurofirst 300	1538.04	1558.02	-1.28
Euro Stoxx 50	3582.99	3641.89	-1.62
FTSE 100	7503.47	7522.03	-0.25
FTSE All-Share	4101.20	4113.10	-0.29
CAC 40	5317.89	5406.10	-1.63
Xetra Dax	12631.61	12804.53	-1.35
Nikkei	19814.88	19919.82	-0.53
Hang Seng	25293.63	25335.94	-0.17
FTSE All World $	303.70	306.13	-0.79

CURRENCIES

	May 17	prev		May 17	prev
$ per €	1.115	1.108	€ per $	0.897	0.902
$ per £	1.297	1.292	£ per $	0.771	0.774
£ per €	0.859	0.858	€ per £	1.164	1.166
¥ per $	111.305	113.005	¥ per €	124.067	125.249
¥ per £	144.391	145.986	£ index	78.534	78.986
€ index	90.666	90.059	$ index	104.275	104.865
SFr per €	1.091	1.094	SFr per £	1.270	1.275

COMMODITIES

	May 17	prev	%chg
Oil WTI $	49.11	48.66	0.92
Oil Brent $	52.24	51.65	1.14
Gold $	1257.40	1234.20	1.88

INTEREST RATES

	price	yield	chg
US Gov 10 yr	101.21	2.24	-0.06
UK Gov 10 yr	101.08	1.14	-0.06
Ger Gov 10 yr	98.82	0.38	-0.06
Jpn Gov 10 yr	100.59	0.05	0.00
US Gov 30 yr	101.66	2.92	-0.08
Ger Gov 2 yr	102.24	-0.67	0.00
	price	prev	chg
Fed Funds Eff	0.91	0.82	0.09
US 3m Bills	0.90	0.90	0.00
Euro Libor 3m	-0.37	-0.37	0.00
UK 3m	0.31	0.32	0.00

Prices are latest for edition | Data provided by Morningstar

NATIONAL

Pay squeeze

Real wages fall despite lowest jobless rate since 1975

This decade set to be worst in more than 200 years, economists warn

SARAH O'CONNOR
EMPLOYMENT CORRESPONDENT

Wages have dropped in real terms for the first time in almost three years as employers remain reluctant to offer bigger pay rises in spite of the acceleration of inflation.

The jobs market was otherwise robust with record employment rates and the lowest unemployment since 1975, official data showed.

But the renewed squeeze on living standards marks a turning point for the economy: real wages fell sharply after the financial crisis but had been recovering slowly in recent years.

"Coming so soon after the big post-crisis pay squeeze, this new phase of falling pay means that this decade is set to be the worst in over 200 years for pay packets," said Stephen Clarke, an economic analyst at the Resolution Foundation think-tank.

The latest official forecasts suggest the average worker will still earn less in 2021 than they did in 2008. Inequality is also expected to increase in the next few years because the benefits that top up the incomes of low-paid workers have been frozen in cash terms.

The labour market has become a battleground in the general election campaign. Both the Conservatives and Labour have promised to boost low pay and strengthen workers' rights.

Average regular weekly pay in the three months to March was 0.2 per cent lower than a year ago after taking account of inflation. Regular pay (excluding bonuses) rose 2.1 per cent, slightly less than inflation in the same period. Total pay (including bonuses) rose slightly faster than inflation.

Inflation subsequently accelerated to 2.7 per cent in April, which suggests the squeeze on pay is likely to intensify.

The Bank of England recently cut its forecast for average wage growth this year from 3 to 2 per cent, but expects real pay growth to resume next year.

There was better news on job creation as employers continued to hire more staff. The employment rate breached a new record high of 74.8 per cent after another 122,000 people found work, a bigger number than economists were expecting. They were also encouraged by the types of jobs that were created. The number of full-time employees surged while part-time and self-employment fell. Meanwhile, the unemployment rate dropped to 4.6 per cent, the lowest since 1975.

Still, employers' refusal to raise pay has puzzled economists. Workers usually demand higher pay rises when inflation goes up and their bargaining position should be strengthened by the tightness of the labour market. The same puzzle is playing out in Japan, the US and Germany.

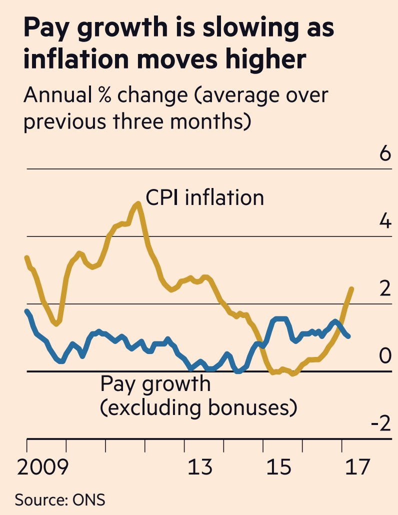
Employers say they cannot raise pay sustainably unless workers become more efficient. Yet productivity, which has stagnated since the financial crisis, fell 0.5 per cent in the first quarter of the year as workers produced less output for every hour they worked.

Productivity has slowed in most countries since the financial crisis, but the trend has been acute in the UK.

Some economists believe the weakness of wage growth is also the result of structural shifts that have left workers with less bargaining power.

"A shift towards less secure forms of employment, the tightening up of eligibility for benefits and the consequences of globalisation have all made workers more compliant and less willing and able to push for higher wages," said Martin Beck of Oxford Economics.

Others believe migration from the EU has meant employers have not had to raise pay. The number of workers in Britain from the EU rose unexpectedly in the three months to March after a fall in the previous set of data. Their ranks increased by 171,000 to 2.32m in spite of increased uncertainty about Brexit.



Source: ONS

General election. Renationalisation

Public ownership takes centre stage in battle for votes

Labour-Tory conflict marks widening of policy divide after decades of convergence

CHRIS GILES AND GILL PLIMMER

The renationalisation of Britain's energy, rail, water and energy sectors has emerged as an unexpected election issue during this campaign.

Besides the financial claim and counter-claim from Labour and the Conservatives, the row signifies a widening of the political divide after years of convergence. By the mid-1990s, Labour had largely reconciled itself to the concept of private ownership after Britain became a world leader in privatisations.

Britain's model has been copied worldwide, although few countries have embraced private sector involvement so much and many have later reversed course. New Zealand, for example, sold its rail business to private owners in 1993 but took it back in 2008 after a dispute over a network upgrade.

Renationalisation raises key issues.

Costs

To nationalise an industry, government needs to borrow money to acquire assets. The Conservatives say this raises government debt, but economists say the public sector will have balanced the debt by acquiring an asset of equivalent value. Tony Yates at Birmingham University adds: "The company could be sold again at some point."

For economists, the acquisition costs of nationalisation are of less interest.

Efficiency

A bigger question is whether ownership affects the efficient operations of a company. If the structure of the industry remains, economists often find little efficiency gains from privatisation alone.

Sir John Vickers, of Oxford university, who wrote on privatisation in the 1980s, agrees that ownership alone is unlikely to be the key for efficiency. David Hall, at Greenwich University, says there is no evidence that either the private or public sector is more efficient at running public services.

Market structure

Economists tend to focus on establishing a market structure that promotes efficiency, where the most important criteria are competition and regulation to minimise prices and improve service.

"In industries where competition works, the economic efficiency arguments clearly favour private ownership. In hardcore monopolies the question is how regulation of private firms compares with state ownership," Sir John says.

In some industries such as water, there is no possibility of altering a market's structure to enable effective competition, so the case for private ownership is weaker. Mobile phone companies have been allowed to provide mobile telephony in most countries and told to compete, when the sector could be seen as a natural monopoly. Short-term efficiency losses from duplicated infrastructure have been outweighed by longer-term benefits from competition.

State interference

A principal concern about nationalised industries is that they will not be run on commercial terms but be subject to the whims of ministers. One of the most damaging aspects of nationalisation can be that investment is starved when government finances are weak.

Culture

One of the most difficult aspects to evaluate is how much the culture of companies depends on their ownership structures; questions that trouble both political parties, such as how to curb the tendency of private energy companies to exploit customer reluctance to switch providers. The Conservatives will cap bills but Labour wants to nationalise.

Risk

One of the reasons public ownership can appear cheaper stems from the lower financing costs of government. This underpins Labour's annual savings calculations. But lower financing costs have to be balanced against the risk of losses if the service becomes less efficient or goes bankrupt. In private monopolies such as water companies, shareholders would bear the first losses.

Mind the political gap The great sell-off and its consequences

Route plan: Clapham Junction in London
Jeff Gilbert/Alamy

Rail

The railways were the last significant privatisation, carried out under John Major's Conservative government in 1993. This led to the separation of track — with the creation of the stock market-listed Railtrack — and trains, which are operated as franchises.

Most of Railtrack's operations were transferred to state-controlled Network Rail in 2002 after the company went into administration.

Network Rail received £3.8bn in 2015-16. It has come in for repeated criticism from the regulator for missing performance targets.

Many of the franchises are owned by foreign state-owned rail organisations. Train operators' total UK income in 2015-16 was £12.4bn. They made a net payment to government of £600m in 2015-16.

Water

Privatised in 1989, the industry now comprises 18 large regional private companies. They own all the assets and are licensed monopoly suppliers. Investors paid very little at privatisation — just £7.6bn for the shares — while the government took over all the debts for the sector and gave them billions of pounds of public funds.

The average household water bill in England and Wales has risen by 40 per cent in real terms since privatisation.

Companies have been fined millions of pounds for poor performance. The Commons public accounts committee said recently that they had kept excess profits of £1.2bn in the past five years.

Water providers in Scotland and Northern Ireland remain in the public sector. In Wales, water is provided by a not-for-profit company.

Telecoms

The privatisation of British Telecommunications in December 1984 triggered a feeding frenzy, with more than 2m retail shareholders out for a piece of the new company.

Investors who bought in on the promise of growth in the old landline business now own a company that sells internet, mobile phone and pay-TV packages, while selling cloud computing and tech services to multinationals.

That has meant risk. BT almost capsized in 2001 when it had to demerge its mobile arm, Cellnet, and sell its directories business. Its global unit has triggered share price collapses both in 2009 and this year.

The BT sale was preceded by the float of Cable & Wireless, the imperial telecoms company, in 1981. It was sold to Vodafone and Liberty Global.

Energy

In 1990, the 12 area boards in England and Wales, responsible for local networks and billing, were renamed regional electricity companies and sold off. The Central Electricity Generating Board, which owned the national grid and all electricity generation, was broken into four parts — one of which was National Grid. Each REC was allocated a stake in National Grid, which floated in 1995.

In Scotland, before privatisation in 1991, two groups owned everything. These became ScottishPower and Scottish Hydro Electric. The latter became SSE in 1998.

The gas industry was privatised in 1986, when British Gas was floated. British Gas was split in two in 1997, creating Centrica and BG Group, which was swallowed by Royal Dutch Shell.

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Property

Tax relief cut deters amateur landlords from buying to let

JAMES PICKFORD

Sales of buy-to-let property fell in April, according to research that suggests amateur landlords are being deterred from the market by the phased removal of valuable tax relief.

Buy-to-let's share of property valuations carried out by estate agency Connells dropped to 7 per cent in April, substantially down from the five-year April average of 13 per cent.

John Bagshaw, Connells corporate services director, said government measures designed to reduce growth in the sector had hit "smaller players".

These included a 3-percentage-point stamp duty surcharge on buy-to-let and second homes introduced in April 2016, and cuts to tax relief on mortgage interest, which are being phased in over four years from April 1 2017.

"Over the last year, buy-to-let valuations have made up less than 10 per cent of market activity, representing a new low in April. This could suggest that smaller, private landlords, who typically use buy-to-let mortgages, have not been investing on the same scale as previously seen," Mr Bagshaw said.

But valuations carried out for buy-to-let remortgaging surged as landlords sought to take advantage of low interest rates and competitive mortgage deals to reduce their monthly payments. Remortgaging for buy-to-let accounted for 11 per cent of valuations, up from 6 per cent in 2012.

From April 2017, landlords can offset only 75 per cent of mortgage interest against rental income compared with 100 per cent previously. By 2020, tax relief will be limited to 20 per cent of mortgage interest.

Separate figures published yesterday by the Council of Mortgage Lenders showed a modest 4 per cent rise in buy-to-let lending between February and March. Compared with March 2016, the value of buy-to-let lending was 79.5 per cent lower, though the CML warned that the figures were skewed by the "rush to buy" ahead of the introduction of the stamp duty surcharge in April 2016.

Wholesale prices

Superfast broadband delay will cost users £140m, say BT rivals

NIC FILDES — TELECOMS CORRESPONDENT

The delayed introduction of lower prices for superfast broadband will cost consumers £140m, according to rivals of BT, which runs the broadband network.

The telecoms regulator proposed in March that the wholesale cost of a superfast broadband line offering speeds of up to 40 Mbps be cut by 40 per cent by 2021. Companies including Sky, Vodafone and TalkTalk are expected to pass on those savings to consumers once the cuts come into effect.

However, the lowering of wholesale prices was delayed by a year while Ofcom conducted a wider review of the market, which concluded in March. The cuts had been due at the end of March but BT, via its Openreach division, will now lower its prices in April 2018.

BT's rivals, which offer broadband services using the Openreach network, have calculated that the year's delay will cost users millions of pounds.

"We estimate that as a result of the 12-month delay in implementing this initial charge control and the subsequent delay in further reductions, UK consumers are being overcharged by about £140m," said Vodafone.

"This windfall gain will allow Openreach to invest in fibre-to-the-premises to cover a city the size of Cardiff or make a substantial contribution towards improving the quality of rural broadband," it added.

Sky said the delay meant that the cost of supplying superfast broadband to users would be "higher than necessary and competition will be further distorted and consumers harmed". TalkTalk also put the additional cost to consumers at £140m.

Openreach insisted its current pricing was fair and reasonable. One person familiar with the issue questioned whether the £140m figure was an overstatement, but Vodafone argued it was based on "conservative" broadband growth assumptions over the next three years. Ofcom said that it would evaluate the claims.

NATIONAL

PM refuses to confirm Hammond's job is safe

Premier fuels rumours of cabinet reshuffle following run-ins with chancellor, while sightings of ministers such as Johnson and Fox have been rare

GEORGE PARKER — POLITICAL EDITOR

Theresa May repeatedly declined to confirm yesterday that Philip Hammond would continue as chancellor if she won the election, adding to rumours of a cabinet reshuffle after the June vote.

The Conservatives have invited voters to back "Theresa May's Team", but who exactly will be in it is uncertain; several other cabinet ministers have been largely invisible in an election campaign that has been firmly focused on the prime minister.

Mrs May's allies say she has not decided on the future shape of her cabinet and have gone out of the way to deny reports that her "top team" will remain unchanged.

Mr Hammond's future as chancellor has been the subject of growing speculation in recent weeks, following bad blood with Number 10 over his unravelling spring Budget and clashes over the shape of the Tory manifesto.

All that Mrs May would say at a joint appearance with Mr Hammond on the campaign trail yesterday was that "every member of my team is focused on June 8". Asked again whether she would endorse Mr Hammond, the prime minister said she was "very happy to do so" but then went on to deliver less-than-wholehearted praise for her Downing Street neighbour.

"We have worked together over the years, many years, longer than we would care to identify," she said, before adding: "That's an age-related comment, nothing else, so don't read anything into that."

Mr Hammond described reports of tensions with Mrs May's team, notably with her co-chief of staff Nick Timothy, as "media tittle-tattle". He admitted he swore occasionally, but clarified that this was not in relation to conversations with Mr Timothy.

There has been speculation Mr Hammond might be replaced at the Treasury by Amber Rudd, home secretary, who formerly worked for bank JPMorgan.

Some at 1 Horse Guards Road think that might happen sooner rather than later. Since the Budget, senior Treasury officials speak of a notable deterioration in relations with Number 10 and are preparing themselves for a possible change of chancellor after the election.

Mr Hammond, who is regarded in the City and by business as a brake against a "cliff-edge" Brexit, fought an unsuccessful rearguard action to persuade Mrs May to keep Britain in the EU customs union. The unravelling of his Budget plan to raise taxes on the self-employed annoyed Number 10; during preparations for the spring statement anonymous Treasury figures accused Mrs May's team of being "economically illiterate".

Mr Hammond, a free marketeer, has resisted some of Mr Timothy's plans for more economic intervention, including in energy markets, foreign takeovers and putting workers on boards.

Those tensions have spilled over into the drafting of the Conservative manifesto, to be published today. Mr Timothy has held the pen during that process but Mr Hammond's allies insist he is comfortable with the final outcome.

There is also speculation about the future of other ministers. Boris Johnson, foreign secretary, has rarely been seen on the national campaign trail.

The deployment of ministers in the national Tory election campaign is perhaps the best available guide to those who are most in favour with Mrs May and likely to feature in the higher echelons of a Tory government after June 8.

Among the most prominent have been Ms Rudd, defence secretary Sir Michael Fallon, and work and pensions secretary Damian Green. Yet Mr Hammond, in spite of the speculation about his future, is the only minister to have had what Tory officials call "a podium moment" with Mrs May.

Other ministers have largely disappeared from national view, a potentially ominous development. They include communities secretary Sajid Javid, justice secretary Liz Truss, international development secretary Priti Patel and international trade secretary Liam Fox.

A Tory spokesman said: "Everyone in the cabinet has been out quite a bit."

Budget blues: Philip Hammond's tax plans unravelled after his March speech
Dominic Lipinski/PA

Manifesto

Tories retreat from Cameron pledge to shelter elderly from high social care bills

Theresa May is set to disappoint many wealthy Conservative voters with her party's manifesto when she retreats from her predecessor's plan to protect the elderly from high social care costs.

Mrs May will launch the Tory manifesto today with a promise to tackle "the great challenges of our time". However, her flagship policy to tackle the growing crisis in social care will abandon David Cameron's plan to put a £72,000 cap on total social care costs for the over-65s as of 2020.

Instead, the manifesto will propose a £100,000 single capital floor below which assets will be protected from social care costs. The more modest reforms would expose wealthy pensioners to potentially huge costs if they develop a long-term condition such as dementia, but Conservative officials insist it will be fairer. They also say the policy has been costed but have not supplied their arithmetic.

Both Mrs May and Nick Timothy, her aide writing the manifesto, believe the new policy to be more "redistributive" and will send the message that she is willing to disappoint rich Tory voters, who will be expected to foot the bill for very high social care costs while protecting the assets of "ordinary families".

The plan is significantly more limited than the one in the 2015 Conservative manifesto and recommended by the 2011 Dilnot review.

The cost of raising the floor on assets to £100,000 from the current value of £23,250 will be met by means-testing winter fuel payments for the elderly, a benefit worth up to £300 a year that was introduced by Gordon Brown.

Money will also be saved by including pensioners' homes in the means test for domiciliary care for the first time. There will also be significant long-term savings from scrapping the planned cap on care fees, which will hit richer pensioners hardest.

They will have to pay for their care, as now, either by selling their homes or by deferring payment until their death, a right that will be extended to those receiving care at home.

George Parker, Sarah O'Connor and Chris Giles

Video interview
New party line: Gina Miller outlines Best for Britain's election tactics
ft.com/video

Brexit fallout. Remain town

Then I saw May's face, now I'm a Re-Leaver, says Lewes

East Sussex voters want PM to strike good EU deal rather than have referendum re-run

GEORGE PARKER — LEWES

Across Britain, resistance to Brexit is crumbling. Large numbers of Remain voters now believe the UK should leave the EU, and see Theresa May as the person to get the best possible deal.

This sentiment is perhaps the defining feature of the 2017 election, and it is certainly to be felt on the main street of Lewes, the ancient county town of East Sussex near England's south coast.

Even though this prosperous marginal Conservative seat, a target for the pro-EU Liberal Democrats, voted Remain, it is hard to find anyone who believes the Brexit referendum result will somehow be overturned.

"We voted to stay in but we know it's going to happen," said Malcolm Mansell, a retired building company owner crossing the sun-drenched bridge over the River Ouse as it makes its sluggish way towards the Channel.

His wife, Diana, agreed: "We have just got to get a good deal." Both Conservative supporters, they see something of Margaret Thatcher in Mrs May.

Nick Louca, playing the saxophone to passing shoppers next to the old Harvey's brewery, said: "I don't think the referendum will be overturned. People seem to think of it as 'the people's vote' and to overturn it would in some way be seen to be undemocratic. People who voted Remain are powerless at the moment."

Mary Lowerson, a pensioner stopping to enjoy the music, said she would be voting Lib Dem, but not to stop Brexit. "If it's done, it's done," she said.

The emergence of this demographic, dubbed the "Re-Leavers", partly explains why the Lib Dems have seen their campaign stall. They are offering a second referendum and a possible route back into the EU, but many voters think it is simply too late to turn back.

According to a YouGov snapshot of Brexit Britain, 23 per cent of voters fall into the Re-Leaver category. Mrs May is holding on to 91 per cent of people who voted Conservative in 2015 and Remain in 2016. In other words, few Tory Remainers are inclined to ditch Mrs May and her party in protest at Brexit.

The air of gloomy acceptance by Remain voters looks likely to dash Lib Dem hopes that anger over Brexit would help them regain many of the seats they lost to the Conservatives in 2015, when they were reduced to a rump of just eight MPs.

Those hopes were raised by the remarkable Lib Dem victory in the Richmond Park by-election in December, when the party overturned a 23,000 Tory majority in the "banker belt" of west London. In retrospect, that may have turned out to be a moment of Peak Remain.

Sir Lynton Crosby, the Conservatives' election adviser, warned Mrs May this year that the Lib Dems could retake several dozen seats on June 8.

Now, senior Lib Dems admit they would be pleased if they won 20 in total. One Lib Dem veteran said: "Most Remain voters haven't changed their minds about Brexit, but many of them accept the result. They don't want to be seen, particularly among their peer groups, to be questioning the result."

Marcus Roberts of the polling group YouGov said Mrs May had labelled the Lib Dem call for a second referendum "divisive" and "disrespectful", adding: "There is some evidence that this framing is winning the messaging wars for the Conservatives."

For the Lib Dems, the Re-Leaver phenomenon is a particularly devastating blow to their ambitions in the southwest of England, once their heartland but also Leave country. The party's best hopes now are in areas inhabited by what YouGov calls "Hard Remainers", who comprise about a fifth of the electorate.

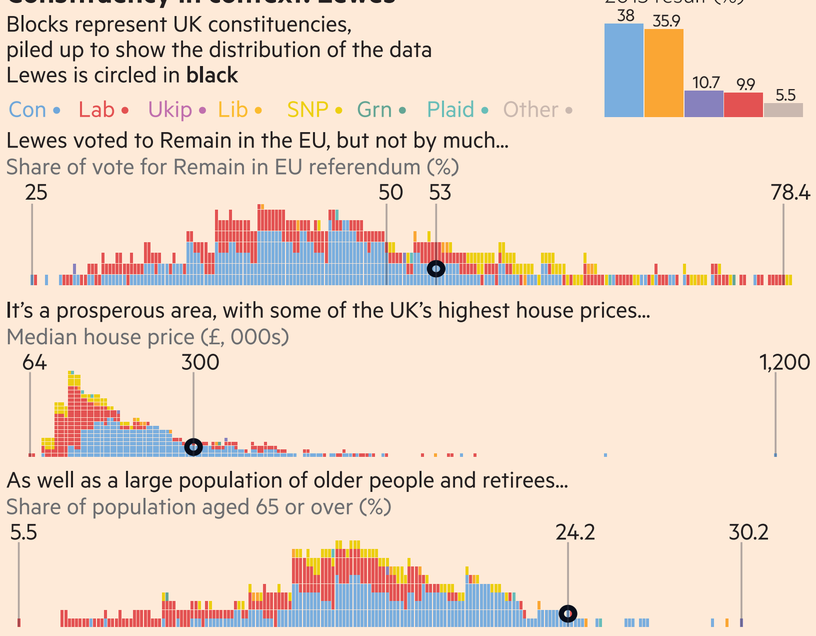
Kelly-Marie Blundell, the Lib Dem candidate in Lewes, hopes to overturn a Tory majority of just over 1,000 by pitching to exactly those kinds of angry Remain voters, many of whom are young professional graduates. In Lewes, many commute to work in London.

She insists that of the 52 per cent of Lewes voters who voted Remain, most are either "visceral Remainers" or "grieving Remainers who are still in shock". The local Tory candidate, Maria Caulfield, was a Brexit supporter. She declined to be interviewed.

A walk down Lansdown Place, where Ms Blundell meets Nick Foley-Oates, a television production designer, and Graham Festenstein, a lighting designer, unearths exactly the "Hard Remainer" types the Lib Dems need to win over if they are to gain seats on June 8.

But they are a relatively select breed, and while they can be found in affluent seats such as Lewes, Richmond, Cambridge or Edinburgh West, they are not a force in swathes of the country where Mrs May is looking to the Re-Leavers to deliver her a thumping victory.

Constituency in context: Lewes



Making Lewes typical of the affluent, ageing areas where the Conservatives hope resigned Remain voters will choose Mrs May to deliver the best possible Brexit deal

Source: FT research
FT graphic by John Burn-Murdoch and Federica Cocco

Credit

US household debt tops pre-crisis peak

General arrears less of a problem than before crash but some students struggle

SAM FLEMING — WASHINGTON

Household debt in the US surpassed its pre-crisis peak in the first quarter, exposing some categories of borrowers to financial strain as they try to keep up with their obligations.

Consumer debt balances totalled $12.73tn at the end of the first quarter of 2017, figures from the Federal Reserve Bank of New York showed, exceeding the 2008 peak of $12.68tn.

The share of debts falling into arrears is now markedly lower than in the lead-up to the recession across a range of types of lending, with mortgage borrowers' finances proving particularly solid. An exception is student debt, where the percentage of loan balances going into "serious delinquency" has been hovering at around a 10 per cent annual rate over the past five years.

The latest figures also showed a jump in the share of credit card balances that are falling behind, as well as signs of trouble in motor loans, but in most areas the difficulties are less acute than during the credit boom and bust.

The US subprime mortgage crash has left a lasting legacy on the credit markets, with mortgage lenders in particular proving far more cautious about extending home loans to individuals with weaker credit records.

Only 3.5 per cent of home loans went into arrears in the first quarter, compared with annualised figures of at least 10 per cent from the third quarter of 2008 to the second quarter of 2010.

Just under $18bn of mortgages were extended to borrowers with weaker credit scores compared with nearly $115bn in the first quarter of 2007.

The absence of widespread loan defaults was attributed in part to a shift in lending towards older as well as more creditworthy borrowers, the New York Fed said.

About 203,000 consumers had a bankruptcy notation added to their credit reports in the first quarter, a 1.7 per cent drop from the same quarter last year and a record low.

"These shifts in borrowing patterns and characteristics of borrowers, paired with the long economic recovery and a strong labour market, have resulted in very low delinquency rates for most types of debts except for student loans," New York Fed economists Andrew Haughwout, Donghoon Lee, Joelle Scally, and Wilbert van der Klaauw said in a blog post.

$12.73tn
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3.5%
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Student debt has become a problem area for the US economy in recent years. Many Americans have borrowed heavily in the belief that continuing their education after high school is the best way to secure higher wages, but now find that the burdens outweigh the benefits.

Student loans surpassed credit cards in 2012 as having the worst delinquency rates in consumer credit. Outstanding student loan balances increased further in the first quarter, reaching $1.34tn.

Economists have also been raising concerns about the deteriorating performance of auto loans. Some 7.35 per cent of loans moved into arrears of at least 30 days in the first quarter, compared with just over 10 per cent in the worst days of the downturn. A year earlier the level was 7.27 per cent.

Caliphate campaign. Hizbut Tahrir

Indonesia moves to check Islamist advance

Jakarta seeks to ban hardline group after former governor is jailed for blasphemy

JON EMONT — JAKARTA

The jailing for blasphemy this month of Jakarta's former governor raised fears that the moderate traditions of the world's most populous Muslim-majority nation were under siege.

Now the Indonesian government is fighting back with a drive to outlaw a hardline Muslim group linked to the mass protests against him.

"Hizbut Tahrir's activities threaten the sovereignty of our nation," security minister Wiranto said last week, arguing that the organisation's goals of establishing an international caliphate were in conflict with the democratic ideals of *Pancasila*, Indonesia's state ideology.

Many Indonesians have become spooked by the growing sway of hardline Islamist groups after they campaigned for the electoral defeat and imprisonment of Basuki Tjahaja Purnama, better known as Ahok.

Both the first ethnic Chinese and the first Christian to run the country's capital, he was accused of insulting Islam by referring to a verse in the Koran during a campaign speech. Hundreds of thousands of demonstrators joined rallies against him.

The anti-Ahok campaign was widely seen as a prelude to the next national election in 2019, when conservative and Islamist forces will seek to defeat Joko Widodo, Indonesia's pluralist president who is popularly known as Jokowi and an Ahok ally.

The effort to ban the group is "part of a much bigger plan the palace has to limit the impact of this kind of Islamist mobilisation against Jokowi," said Gregory Fealy of Australian National University.

Hizbut Tahrir, which has operations worldwide, seeks the non-violent establishment of a caliphate for all the world's Muslims, which would be ruled according to Islamic law. It boasts tens of thousands of members in Indonesia, where it has operated for decades.

Many observers say the government may struggle to ban the group. Indonesia's conservative courts could block the decision, and even if they do not, approval would only come after a lengthy legal process. The move could also backfire, observers say, if members go underground and start embracing the violent tactics the organisation officially rejects.

"It looks like it was a hastily made decision," Professor Fealy said. "There should have been a careful process to dissolve an organisation in a democracy."

Some moderate Muslim organisations have signalled their support for the government's move. The youth division of Nahdlatul Ulama, the country's largest, has recently worked with the police to break up Hizbut Tahrir gatherings in cities around the archipelago.

"The government has to be firmer," said Yaqut Cholil, the national leader of NU's youth division, a 2m-strong group.

Mr Cholil said if the ban proceeded, his organisation would help the police ensure that former members did not continue their activities in secret.

Mr Wiranto did not say whether the government intended to ban other hardline groups. However, an obvious contender would be the Islamic Defenders Front (FPI), which was at the forefront of the campaign to jail Ahok.

Habib Rizieq, the group's leader, has spent the past few weeks overseas after being summoned by police for questioning about salacious messages he is accused of sending via a messaging app to a woman who is not his wife. But there has been no formal indication that police want to disband the group.

Ustadz Slamat, a spokesperson for the FPI, said on Tuesday that Mr Rizieq was due to return to Indonesia and turn himself in to the police.

"The FPI is useful to police and politicians," said Yohanes Sulaiman, a security analyst. He noted that the FPI co-ordinated its activities closely with state security services and politicians, whereas the more ideological Hizbut Tahrir, which generally encourages its members not to vote to avoid legitimising democracy, "is not very useful for mainstream politics".

The FPI disagrees with the move against Hizbut Tahrir. "Our suggestion is that there is a dialogue between the government and Hizbut Tahrir Indonesia," said Mr Slamat, adding that disbanding it was "a violation of human rights".

The group is not alone in opposing the decision. "I don't think it's a particularly wise move," said Prof Fealy. "In Britain and Australia, one thing that ended up preventing bans is intelligence agencies saying the organisation will go underground and become harder to track."

Vigil: supporters of Jakarta's jailed former governor Basuki Tjahaja Purnama, better known as Ahok, gather to demand his release outside Jakarta's High Court office on Tuesday
Bagus Indahono/EPA

GLOBAL INSIGHT

HONG KONG

Ben Bland

China's aviation dream takes flight but only with help from west

The first time China attempted to build a large passenger jet, it tried — and failed — to reverse-engineer a Boeing 707 that had crash-landed in Xinjiang in 1971.

The latest vehicle for China's aviation dream, the Comac C919, has just completed its first test flight after Beijing decided to take a different path: buying parts from European and US aviation companies rather than stealing their technology.

After many mis-steps, the maiden flight of the 174-seat aircraft was a big moment for China, economically and politically. The government told state-owned Comac in a congratulatory note that the C919 "carries great weight and importance to the country's innovation drive".

The C919 is designed to compete with the workhorses of short-haul aviation, the Airbus A320 and Boeing 737. It has a ready-made customer base as China is forecast to overtake the US as the world's biggest aviation market in 2024.

Comac has also built a smaller regional jet, called the ARJ21, and is developing a long-haul aircraft alongside Russia's United Aircraft Corporation.

China has been trying to build large passenger aircraft since the Mao Zedong era, when communist officials bridled at having to fly overseas on foreign-made aircraft.

President Xi Jinping, who often travels abroad on a Boeing 747 operated by Air China, is unlikely to start flying on the C919 soon, as it will be at least a couple of years before it goes into mass production.

But China's airliner project is still driven by politics as much as policy. At the Comac factory in Shanghai, communist propaganda banners urge workers to knuckle down to achieve the Chinese aviation dream. "Remember your mission, march forward and win the 'three battles'," says one, referring to the markets for regional, short-haul and long-haul jets.

> If China wants to compete with Boeing and Airbus, it will have to sell in developed markets

Mr Xi is keen to show progress on high-profile initiatives before the five-yearly congress of the Communist party in the autumn, where he aims to strengthen his grip on power.

By successfully bringing the C919 into mass production, Comac would join the select club of companies with the technical expertise to build large passenger jets including Boeing of the US, Europe's Airbus, Canada's Bombardier and Russia's Sukhoi and Tupolev.

In addition to prestige, China wants to reduce its reliance on foreign aircraft manufacturers, primarily Boeing and Airbus. But, paradoxically, the C919 has got this far only because of the co-operation of western suppliers. The wings and tail are made in China, but many of the most important and technologically advanced parts are purchased from foreign companies, such as GE and Safran, which provided the engine, and Honeywell, which supplied the wheels and brakes and communication and navigation systems.

Buying components from industry leaders has sped up the development process. But the C919 is still 10-15 years out of date, compared with the latest versions of the A320 and Boeing 737, meaning it will probably cost more to run.

That need not dent sales of the aircraft as most of China's airlines are state-controlled and can easily be encouraged to use it. There are already orders for more than 500 C919s.

If China really wants to compete with Boeing and Airbus, it will have to sell its aircraft in developed markets, which will require better technology and hard-to-achieve certification from European and US regulators.

That is where Beijing may hit the limits of Chinese aviation with western characteristics. Chinese officials have a history of covering up technical problems with domestically produced aircraft. Corruption, political interference and a lack of transparency make western regulators nervous, and undermine the potential for innovation in China.

Derek Levine, who wrote *The Dragon Takes Flight*, a book on China's aviation ambitions, warns that "unless China learns how to make the most sophisticated elements of a plane, they'll always be a step behind".

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Irish politics

Kenny resignation triggers race to replace Fine Gael leader

VINCENT BOLAND — DUBLIN

Enda Kenny has brought his long career at the heart of Irish politics to a close, resigning as leader of the ruling Fine Gael party and announcing that he will step down as prime minister as soon as his successor has been chosen.

His announcement ends months of speculation about his intentions and triggers a race to succeed him inside Fine Gael, the centre-right party he has led for 15 years, six of them as prime minister.

"I would like to stress the huge honour and privilege that it has been for me to lead our party for the past 15 years, in opposition and into government on two successive occasions," Mr Kenny said before a meeting with his parliamentary colleagues yesterday that some described as "emotional".

In his six years as "taoiseach", Ireland bounced back from its worst economic recession after the collapse of its banking and construction sectors between 2008 and 2010.

Ireland has been Europe's fastest growing economy for the past three years. The bank sector has stabilised and unemployment fell from a peak of 15 per cent to below 7 per cent.

Mr Kenny has been praised for his economic stewardship, but the outcome of last year's elections, at which his coalition government lost its commanding majority, suggested voters remain sceptical.

The two frontrunners to succeed him are Simon Coveney, the housing minister, and Leo Varadkar, the social welfare minister. Mr Coveney hails from a long-established political dynasty in the southern city of Cork. Mr Varadkar is a liberal moderniser.

In his resignation announcement, Mr Kenny said he wanted to see the succession race completed by June 2.

Mr Kenny has been premier since leading Fine Gael to a huge majority in a general election in 2011, as the country was entering the worst of several years of austerity.

Mr Kenny is one of the EU's longest-serving leaders, and a big figure in the European People's party, the main political group in the European Parliament.

He has played a key role in getting EU support for Ireland's interests in the forthcoming negotiations on the UK's exit from the EU.

Mr Kenny's departure became inevitable after last year's election, when Fine Gael lost its majority and he said he would not lead the party into the next election.

Support for him has been ebbing since he was forced to turn to Fianna Fail, the main opposition party, to prop up his minority government.

That arrangement remains intact despite frequent policy clashes between the two parties, which have dominated Irish politics for nearly a century.

It may not survive the transition to a new Fine Gael leader, however, and a general election within the next year could be one of the consequences of Mr Kenny's departure.

Martin Heydon, chairman of the Fine Gael parliamentary party, said: "Under Enda Kenny as taoiseach, we saw a devastated economy repaired, long ignored social issues addressed, and the rebirth of a self-confident Ireland."

Mr Kenny's departure will trigger a generational shift in Fine Gael and is likely to be followed by the resignations of a handful of senior ministers who have been close to him.

All ears: Enda Kenny listens during a briefing for the media at an EU summit in Brussels last month
Olivier Matthys/AP


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Republican nerves shredded as Trump scandals mount

Lawmakers face dilemma over whether to air concerns on president's performance

Critical mass: Joe Crowley, with fellow Democrats, talks about Donald Trump's involvement with Russia yesterday — Aaron P. Bernstein/Reuters

DEMETRI SEVASTOPULO AND COURTNEY WEAVER — WASHINGTON

If Donald Trump thought that firing FBI director James Comey last week would ease the focus on his campaign aides and their Russia connections, he was in for a nasty shock.

It has cascaded into the biggest scandal of his presidency and created some cracks in his support from Republicans on Capitol Hill. Illustrating the almost daily revelations shocking Washington, John McCain, the Arizona Republican senator, said the Russia-related scandals engulfing the White House were like a "centipede" and "the shoes continue to drop".

Many Republicans have privately expressed exasperation over how Mr Trump is handling the presidency and how his team jumps from one crisis to the next. But until recently, few party lawmakers have been willing to criticise the president for fear of losing support from his voters at congressional midterm elections in November 2018.

But Republicans are becoming nervous over the scandals engulfing Mr Trump, including the claim that he revealed top secret information to the Russian foreign minister, his abrupt firing of Mr Comey, and the claim this week that the president had urged Mr Comey to close a probe into Michael Flynn, his first national security adviser.

Susan Collins, a moderate Republican senator from Maine, said the raft of Russia-related scandals was "deeply troubling". She said the Senate intelligence committee would ask Mr Comey to testify about the details of his private meeting with Mr Trump, which the former FBI boss outlined in a memo, the existence of which was revealed on Tuesday.

Jason Chaffetz, Republican chairman of the House oversight committee, has told the FBI to produce any documents related to communications between Mr Comey and the president. Adam Kinzinger, a party congressman, said Congress should push for a special prosecutor, while Justin Amash, a Michigan lawmaker, became the first Republican to suggest that if the memo claims were correct, it would warrant impeachment.

But Republicans face a dilemma as they consider whether to publicly voice their fears amid nascent signs that Mr Trump's base is starting to become concerned at his performance.

"Their private assessment has grown much harsher, but they're wary about getting in front of the public opinion," said David Gergen, a politics expert at Harvard University's Kennedy School of Government. "We saw something like this in Watergate. It took a while for the doubts and suspicions to spread, but once they did and it became clear that Nixon was culpable the dam broke. We are seeing something of the same now."

While a small but growing number of Republican politicians have started distancing themselves from Mr Trump, party operatives say it is premature to expect members to begin disavowing the president en masse or joining Democratic calls for impeachment.

"The decision to cut yourself loose from your own administration is a really big decision. It's almost never sensible as a political strategy and almost all the Republicans [in Congress] know that," said Vin Weber, a former Minnesota Republican congressman.

Some moderate Republicans could do so if they face potentially tight races in midterm elections, particularly in districts where he fared less well in the 2016 election. But the majority of rank-and-file Republicans would probably lose support from their Republican constituents were they to do so, especially this early in the investigation. "It's usually a bad bet," said Mr Weber. "Most Congress members are going to rise and fall with the fate of their president."

On Capitol Hill, Republican leaders continue to insist they can manage oversight of the Trump-Russia investigations alongside the rest of the legislative agenda and will continue to press on with their big priorities: healthcare, tax reform and infrastructure. The balancing act facing Republicans was underscored by Paul Ryan yesterday. The House Speaker, a Trump critic who has refrained from attacking the president since the election, backed the effort by the House oversight committee to get the Comey memo, but said some people wanted "to harm the president".

While Republicans privately worry the scandals are making it hard for the White House and Republican-led Congress to pass legislation, Mr Ryan said the party was "going to walk and chew gum at the same time". But others say the party will struggle to push through reforms in this political climate.

"If you're a Republican who had ambitious legislative ideas, you're pretty disappointed with what the rest of the year is going to look like," said Tony Fratto, a former Bush administration official. Most Republicans were wary of betting against Mr Trump finishing his term so early, he said. Yet that could shift when they return to their districts in August.

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Timeline

How the Comey furore escalated into a crisis

July 5 2016 James Comey, FBI chief, recommends the justice department does not bring charges against Hillary Clinton, the Democratic presidential nominee, over her use of a private email server.

Oct 28 The FBI announces that it is opening a probe into Mrs Clinton's emails, following an unrelated probe into Anthony Weiner, a former congressman and estranged husband of a Clinton aide, Huma Abedin.

Nov 6 Mr Comey reaffirms his previous decision that no charges be brought against Mrs Clinton.

Dec 11 President Donald Trump attacks a CIA report that Russia hacked Democratic party servers to help secure his election win.

Feb 14 2017 Michael Flynn resigns as national security adviser after admitting he misled Mike Pence, vice-president, over his Russian contacts.

Feb 17 Mr Trump criticises reports that his campaign team was in contact with Russia during the campaign.

May 3 Mr Comey says he feels "mildly nauseous" at the thought he could have influenced the outcome of the election.

May 9 Mr Comey is fired. A letter from the president says he was dismissed on the advice of the justice department over his handling of the Clinton case.

May 11 Mr Trump says he would have fired Mr Comey "regardless" of the justice department's advice.

May 13 Mr Trump appears to threaten Mr Comey with release of tapes of their private conversations.

May 15 The Washington Post reports that Mr Trump shared classified information with Russia's foreign minister in a White House meeting.

May 16 Mr Trump tweets that he has an "absolute right" to give Russians information for counterterrorism purposes. The New York Times reports that Mr Trump asked Mr Comey in February to halt the investigation into Mr Flynn. "I hope you can let this go," the president told Mr Comey.

Flashback. Lessons of history

Echoes of Nixon in modern-day tale of 'Watergate on steroids'

Like predecessor, Oval Office incumbent confronts problem largely of his own making

DAVID J LYNCH — WASHINGTON

Donald Trump needed just four months to accomplish something that took Richard Nixon more than four years.

It was not until October 1973, when Nixon fired special prosecutor Archibald Cox, that talk of impeaching the 37th president began in earnest.

With Mr Trump's presidency far younger, reports that he fired James Comey, the FBI director, after asking him to abandon his investigation of Michael Flynn, the national security adviser, have triggered similar calls for Mr Trump to be ousted.

"This is kind of like Watergate on steroids," said Nick Akerman, who was an assistant special prosecutor in the Watergate case.

Washington was still reeling yesterday from news that Mr Comey had written memos about his private conversations with the president, with one quoting Mr Trump saying of the Flynn investigation: "I hope you can let this go."

The suggestion of obstruction of justice — the first article of impeachment lodged against Nixon — caused a flowering of Watergate references.

Congressman Justin Amash, a Michigan Republican, said that if Mr Comey's account was correct, impeachment was warranted. Al Green, a Democratic congressman from Texas, added that the president had "committed an impeachable act".

Those comments came hours after Senator John McCain, the former Republican presidential candidate, said Mr Trump was enmeshed in a morass of "Watergate size and scale".

Some veterans of that rancorous era said the current crisis might be more serious, since Mr Trump was accused by his opponents of having colluded with a foreign power, Russia, to disrupt last year's voting. Likewise, the Comey sacking, reminiscent of the "Saturday Night Massacre" that claimed Cox, may herald a crisis turning point.

"The Saturday Night Massacre woke up the nation, which had been pretty indifferent to what the Nixon White House characterised as a 'third-rate burglary'," said Richard Ben-Veniste, a Watergate special prosecutor. "The firing of Comey has ignited a similar feeling."

Like Nixon, Mr Trump confronts a crisis largely of his own creation. In 1972, Nixon acted to halt an inquiry into the men who had burgled the Democratic party HQ at the Watergate hotel.

After more than two years of denials, the White House in August 1974 released the tape of a conversation — held on June 23, 1972, six days after the break-in — in which Bob Haldeman, the White House chief of staff, obtained the president's approval for a cover-up. As the Oval Office tape recorder whirred, Nixon endorsed the idea of having the CIA director tell his FBI counterpart to back off because of phoney national security concerns. "Good. Good deal! Play it tough," Nixon said. "Good job, Bob."

More than four decades later, a few players from the Watergate era remain active. Bob Woodward, the journalist who broke many of the biggest stories, still writes for the Washington Post.

Hillary Clinton, who was a young lawyer working for the House judiciary committee on articles of impeachment, is re-emerging after her election defeat.

Congressman John Conyers, who moved to impeach Nixon before Watergate, chairs the judiciary committee and is calling on the White House to surrender any recordings of conversations between Mr Trump and Mr Comey.

As a young White House aide, Patrick Buchanan advised Nixon to burn the tapes. He says comparisons between the two episodes are overstated. By the time Nixon fired Cox, the president had sought the resignations of his two top White House advisers and his attorney-general and seen several campaign aides convicted of crimes. Nothing like that storm has yet hit Mr Trump, says Mr Buchanan, who blames the current crisis mood on hostility between the outsider president and "the permanent regime in Washington".

> 'The atmosphere, astonishingly, is almost like it was in 1973'
> Patrick Buchanan

He says: "The atmosphere, astonishingly, is almost like it was in 1973."

Mr Buchanan adds that a "tally ho spirit of the anti-Trump media" is fuelling a growing hysteria. During Watergate, White House aides worried about twice-daily news deadlines. Today, a 24-hour news cycle, dominated by social media, acts as a crisis catalyst.

There are differences between the contemporary crisis and Watergate. Democrats controlled both Houses of Congress in 1972. With Republicans in charge of Capitol Hill today, there is little likelihood that formal impeachment proceedings will begin any time soon.

But Mr Trump is vulnerable. Nixon, who began his second term with 68 per cent support in a Gallup poll, fell to just 24 per cent on the eve of his resignation. Mr Trump, who lost the popular vote in November, is backed by just 36 per cent of voters in the latest Quinnipiac Poll.

The former White House counsel who warned Nixon of "a cancer growing on the presidency", said Mr Trump had not learned Watergate's lessons.

"I don't think this president seems to know that history very well," John Dean told CNN. "He seems to be making the same mistakes Nixon made."

Richard Nixon with transcripts of the White House tapes in 1974 — AP

Obstruction claims Removal from office depends on politics and whether president changes course

SAM FLEMING — WASHINGTON

Impeachment is not a word people throw around lightly in Washington but claims that Donald Trump has obstructed the course of justice by attempting to stifle inquiries into his campaign's links with Russia have intensified over the past 24 hours.

The furore comes after the disclosure of a memo from former FBI director James Comey which stated that the president urged him to shut down the investigation into Michael Flynn, his former national security adviser.

Obstruction of justice is a highly charged issue in US presidential history: both Richard Nixon and Bill Clinton faced the accusation.

Whether there is a real chance of Mr Trump being removed from office will turn on politics more than legal analysis — and on whether the president himself realises the gravity of the situation and changes course.

What is Trump accused of doing?

Lawmakers were already troubled by Mr Trump's decision to fire Mr Comey and his own acknowledgment that he was thinking of "this Russia thing" when he did it. If it is established that the president had previously asked Mr Comey to stop investigating Mr Flynn's ties to Russia, it will lay him open to accusations that he was trying to prevent the authorities from investigating and applying the law.

It is not clear Mr Trump's alleged request to Mr Comey, denied by the White House, would satisfy the normal criminal standard for obstruction of justice. In any case many legal experts question whether a president can be prosecuted for a crime while in office.

But the bigger issue is whether his conduct could lead him to being impeached. This is a political process in Congress turning on "treason, bribery or other high crimes and misdemeanours". It does not require a clear breach of the criminal code. Justin Amash, a Michigan Republican, said that if the allegations against Mr Trump were true, it could be grounds for impeachment.

How could Trump be removed?

Apart from being booted out by the electorate, there are two main ways of ejecting the president. One is via the 25th amendment to the constitution, introduced in 1967, which allows his removal if he is judged to be unable to discharge the powers and duties of his office. While some lawmakers have claimed that Mr Trump may be mentally unfit to continue in office, there is no precedent for this mechanism being deployed.

The more realistic avenue is via impeachment. This would involve the House judiciary committee launching hearings, before a simple majority of the House votes to impeach the president. The latter step would amount to an indictment; the matter would then pass to the Senate, which would need a two-thirds majority to eject the president.

How does this relate to the calls for a special prosecutor?

Democrats have been demanding an independent figure look into investigations into allegations the Trump campaign colluded with Russia. While the House and Senate intelligence committees are delving into the matter, progress has been hampered by partisan squabbles. The FBI, which has been examining the issue, lacks a director.

A White House protester demands action over alleged ties with Russia

Susan Low Bloch, a professor at Georgetown Law, who has testified to Congress on impeachment, says a special prosecutor's findings could be used to help the House decide if there is an impeachable offence. Another means to examine the issue would be via a special congressional committee.

Who are the main players?

With the Republicans in control of the House, the chances of congressional moves against the president will depend on the mood among the party leadership and how they read the electorate's response to the Trump scandals.

Paul Ryan, Speaker, supports calls for memos and recordings of meetings between the president and Mr Comey to be handed over to a committee, as well as leader Kevin McCarthy, a close ally of Mr Trump's. In the Senate, Mitch McConnell, Republican leader, is the central figure, alongside Richard Burr, who chairs the intelligence committee, which is looking into the Russia matter.

Most Republicans have been unwilling to openly oppose the president and his legions of supporters. However, for a growing number, the option of ignoring the scandal is becoming untenable. John McCain, Arizona senator, said problems engulfing Mr Trump were nearing "Watergate size and scale".

If Republicans do ultimately go down the impeachment route, it would leave the country in a fragile place. Laurence Tribe, a professor at Harvard Law School and a former counsellor to President Barack Obama, says the millions of voters who supported Mr Trump will see this as a manoeuvre by Democrats to nullify the election result. But he argues that Mr Trump has blatantly violated his oath of office. "It is imperative that people step up and take their own constitutional oaths seriously," he says.

INTERNATIONAL

France

Macron offers cabinet posts to left and right

Half of nominations are women and half have not held public office before

ANNE-SYLVAINE CHASSANY — PARIS

President Emmanuel Macron of France reached across party lines to create a government of pro-European centrists and political newcomers as he tries to maximise his chances of securing a parliamentary majority in elections next month.

Four days after taking office as France's youngest president, Mr Macron said former ministers Bruno Le Maire, a member of the centre-right Republicans party, and Gérard Collomb, the Socialist mayor of Lyon, would be members of his first 22-strong cabinet.

The poaching of Mr Le Maire to be economy minister — he stood as a presidential candidate in primary elections for his centre-right party — follows the appointment of Edouard Philippe, also a Republican, as prime minister on Monday. Half of the cabinet are women and half have not previously held public office. Mr Le Maire was agriculture minister under rightwing president Nicolas Sarkozy. A Europhile and a German speaker, he attracted less than 3 per cent of the vote in his party's primaries.

Mr Collomb will deal with France's terrorism alert as the new interior minister. François Bayrou, the leader of the centrist MoDem party, becomes justice minister. Gérald Darmanin, a rising star of the Republican party, has been named as budget minister.

Other critical appointments include Sylvie Goulard, a centrist MEP and early supporter of Mr Macron, as defence minister. She replaces Jean-Yves Le Drian, a senior Socialist figure and loyalist of outgoing president François Hollande, who becomes foreign affairs minister, also in charge of EU affairs.

The appointments reflect "an unprecedented overhaul of our political life", an aide to Mr Macron noted. "This government brings together political figures from all over the political spectrum."

Mr Macron campaigned on a promise to erase the right-left political divide and needs to weaken France's established parties, partly by co-opting its members, to secure a majority for his La République en Marche! party in the legislative elections on June 11 and 18. Founded last year, REM is fighting its first parliamentary election.

Mr Macron's first cabinet may be shortlived. If the president fails to secure an absolute majority in the lower house next month, he may be forced to form a new government reflecting the political forces at play.


Bruno Le Maire
Economy

Top post: Bruno Le Maire of the Republicans, nominated as economy minister, speaks during a presidential primary in September in Paris. A German speaker, he was agriculture minister under President Nicolas Sarkozy
Martin Bureau/AFP/Getty Images


Sylvie Goulard
Defence


Gérard Collomb
Interior


Jean-Yves Le Drian
Foreign affairs

Socialist defections have mounted after the party's drubbing in the presidential election. But conservatives, while also bruised by the ill-fated campaign of their nominee, François Fillon, believe they can still win a significant share of seats in the national assembly. They hope to tap into centre-right voters' frustrations as well as their established network of local officials and the inexperience of Mr Macron's party.

"While there aren't that many high-profile rightwing defections, Le Maire's appointment is a strong message to centre-right voters ahead of legislative elections, in essence telling them: 'this government is pro-business, pro-reforms and serious about public spending cuts'," said Luc Rouban, a professor at Sciences Po Cevipof.

His nomination is likely to reassure Germany even further over France's willingness to implement structural reforms, seen in Berlin as a precondition for rebooting the Franco-German relationship and the EU.

"Naming a German-speaking conservative as French finance minister and eurogroup member is a smart choice," Henrik Enderlein, an EU professor at Hertie School of Governance, tweeted. "A friendly challenger to (German finance minister Wolfgang) Schäuble."

Mr Le Maire is expected to help put together the bill intended to inject more flexibility into France's jobs market this summer if the government survives the legislative elections next month.

Mr Macron made good on his pledge to include political newcomers, naming an immunology and cancer specialist as health minister and an Olympic fencing champion as sports minister.

Nicolas Hulot, an environmental activist and TV presenter who was involved in French efforts to seal the Paris accord on global warming in 2015, was named environment minister, overseeing energy policy.

Shares in EDF, the French energy company with a large nuclear business, fell 7 per cent after the cabinet posts were announced.

Mounir Mahjoubi, who fended off hacking attacks during the presidential campaign as head of security for Mr Macron's party, was made junior minister in charge of the digital economy.

'This government brings together political figures from all over the political spectrum'

Germany

Merkel warns UK over Brexit migration cuts

STEFAN WAGSTYL — BERLIN

The UK will pay a price if it limits migration from the EU after Brexit, Angela Merkel warned yesterday in the German chancellor's toughest message yet about the potential costs to Britain of leaving the bloc.

"This is not meant maliciously, but you cannot have all of the good things and then say there's a limit of 100,000 or 200,000 EU citizens allowed to enter the UK," the chancellor said in Berlin. "That won't work. At that point, we'll have to think about which restrictions we make on the European side to compensate for that."

In uncompromisingly stark comments, the German chancellor highlighted the problems involved in everything from industrial supply chains and border crossings for 250,000 pets a year to the risk of renewed violence in Northern Ireland.

Berlin is concerned that anti-EU rhetoric in the UK general election campaign could further poison the atmosphere and increase the risks that the exit negotiations could quickly collapse.

Ms Merkel insisted that she did not want to punish Britain. But she made clear that the UK should not expect special treatment in a sharp response to recent attacks on the EU from leading British Brexiters, including the foreign secretary, Boris Johnson, who claimed last week Brussels was trying "to bleed this country white".

She warned about the dangers of the UK possibly trying to seek economic advantage by opting out of the EU's common employment and environmental protection rules.

"We must consider how we will react when naturally the competitive landscape can shift."

She added: "We are tied together by very finely woven chains of added value. If every part had to go through customs, these chains would be broken and suppliers could relocate . . . It will be very very complicated, because everything must be regulated."

Military. Personnel

Fears for Polish security as top brass axed

Defence minister accused of 'demolishing the army' amid claims of politicisation

ZOSIA WASIK AND NEIL BUCKLEY

In less than two years in power Poland's conservative Law and Justice government has earned EU rebukes for bringing the constitutional court and public media under political control. Now it is accused of training its sights on another target: the military.

A shake-up of top-level officers that has seen the vast majority replaced, apparently for political ends, has dented military confidence. Civic Platform, the main opposition party, has called a vote of no-confidence in Antoni Macierewicz, the defence minister, for next week, accusing him of "demolishing the army" and causing a "string of scandals" amid U-turns over multibillion-euro arms procurement contracts.

Law and Justice's efforts to politicise key institutions and fill them with loyalists has been a big point of friction with Brussels. EU ministers demanded again this week that Warsaw reopen talks over reforms to its justice system.

The government's parliamentary majority means Mr Macierewicz will almost certainly survive next week's vote. But amid a renewed threat from Russia, about which Law and Justice has been particularly vocal, critics say that could leave in place a man whose actions risk weakening the country's security.

"The potential of our army is being weakened by civil distortions: by attempts to ideologise it and make it party-dependent," General Stanislaw Koziej, who headed Poland's National Security Bureau from 2010 to 2015, told the Financial Times. "These practices had been forgotten since communist rule."

The Polish defence ministry's figures speak to the scale of the changes. In 2016, 90 per cent of leading positions were replaced in the armed forces' general staff, responsible for strategic planning, and 82 per cent in the general command, which has operational control. Even Poland's defence university was reorganised, with 100 staff losing their jobs — including Gen Koziej, who was a lecturer.

The ministry admits that many of those replaced had been appointed by the former Civic Platform government.

Mr Macierewicz is something of a maverick even within his own party, but is close to Jaroslaw Kaczynski, its chairman and the power behind the Law and Justice government. Echoing the party leader's views, Mr Macierewicz has led efforts to claim Russia was behind the 2010 Smolensk air crash that killed Mr Kaczynski's twin Lech, then Poland's president. A 2011 investigation said it was an accident caused by pilot error.

His ministry angered some officers and veterans when it instructed all army units to include the 96 Smolensk victims, including several generals, in long-established commemoration ceremonies honouring Poland's fallen in historic battles such as the 1944 Warsaw uprising against the Nazis.

Mr Macierewicz notched up a success when he hosted last year's Nato summit in Warsaw, where the alliance's western members pledged to station additional forces in eastern countries unsettled by Russia's 2014 annexation of Crimea. But critics say many of his other actions risk undermining both morale and the modernisation effort within eastern Europe's biggest Nato member.


On the march: the military shake-up has sparked opposition party anger

Marek Swierczynski at Polityka Insight, a research group, regards the scope of rotation of top military staff as worrying. "It's unprecedented that in a few months, so many high-level military personnel leave the army," he said.

Since Mr Macierewicz came to office, the heads of the general staff, the general command, air force, navy, and the military procurement inspectorate have all left. Grom, an elite counterterrorism unit, is on its third commander in a year.

The defence ministry asserts that "despite the staff changes, the continuity of command has been maintained".

But Tomasz Smura, an analyst at the Casimir Pulaski Foundation, a security think-tank, said many generals leaving the army blamed "misunderstandings with the defence ministry".

"[They say] they were not heard out by the minister, that decisions were taken without them," he said. "In the security environment in which we're operating, which is uncertain and full of threats . . . Mr Macierewicz's policies might not be good for the army."

Though Poland generally meets Nato's goal of spending 2 per cent of gross domestic product on the military, a lack of modern equipment — with much dating from the Soviet era — remains a burning problem. In a 2013 modernisation plan, Warsaw projected spending 130bn zloty ($34bn) on equipment by 2022. Defence companies hoped Law and Justice would accelerate the upgrade but have instead found Mr Macierewicz's approach to tenders chaotic and unpredictable.

Gen Koziej accused the government of bringing "divisions" to the army. "I only hope this weakening is not strong enough to influence defence capabilities," he said, "but it may definitely affect army morale."

New kids on the block: rise of the online art auction

Despite high-profile failures, online auctioneers are bidding for the attention of collectors, writes Josh Spero

When online art auction sites Paddle8 and Auctionata announced their merger in May 2016 they expected to become "one of the top 10 auction houses in the world by sales", according to Paddle8's Alexander Gilkes. By the end of February 2017, the merger had fallen apart, Paddle8 had fired almost a third of its staff and Auctionata had shut down, insolvent, costing over 130 jobs. As an auctioneer might say, going . . . going . . . gone.

Perversely, there does not seem to have been a better time to be in the online art sector. The new Hiscox Online Art Trade Report, launched at the end of April, made happy reading for Paddle8 and its ilk. Online art sales rose 15 per cent to $3.75bn, despite the broader art market falling 11 per cent to $56.6bn. It predicts that, with an unbroken trajectory, the market could be $9.14bn in 2021. Similarly, in February 2017 Christie's reported an 84 per cent rise in online sales to £49.8m as its overall sales fell 16 per cent to £4bn. The opportunities for digital houses are clear, but the path is tough and twisting.

Back in November 2016, it had seemed so promising. Paddle8 filled a smart central London townhouse with artworks for a series of auctions; when I visited, a Francis Bacon triptych print hung across from a Marcel Dzama drawing and a Chinese terracotta camel. The floor above was being set-dressed with a rostrum for an auctioneer to preside at a live sale broadcast.

Given that Paddle8 had made a virtue of its light-touch model — it did not take possession of the work, validation was done remotely, it did not produce hefty catalogues — this seemed odd. But Patrick van der Vorst, then UK chief executive, said entry-level customers "still want to have that tangible feel" because they are unfamiliar with the art market. Putting things in a building meant clients could "imagine what these things could look like in their own house".

But it turned out it was Paddle8 that needed to get its house in order. In January, Auctionata filed for a preliminary insolvency proceeding; at the same time, Paddle8 announced that it would abandon the merger and regain its independence with investment from "a strategic, majority sponsor". In February, Paddle8 made mass lay-offs and co-founder Aditya Julka left in a "very amicable" manner, according to a spokesperson. Soon afterwards, when no money could be found to keep it going, Auctionata collapsed.

The merger was always doomed to fail, according to a senior figure within Auctionata speaking in January: neither company had ever made a profit, and "the companies have effectively been burning just too much cash together".

The debacle left Paddle8's rival Artsy preening. Artsy runs a dual model, with fixed-price listings from tier-one galleries, such as White Cube and Hauser & Wirth, and themed auctions, like street art and Valentine's Day multiples. It hosted 41 auctions in 2016 and is aiming for over 150 this year; more than 50 per cent of winning bids come through mobiles. It now also partners with Sotheby's, Christie's and Phillips on live auctions.

Wendi Deng, ex-wife of billionaire media tycoon Rupert Murdoch, giving her first public comments on her investment in Artsy, says that she knew the young and tech-savvy would love the site: "Art is intimidating for most people — we thought it was a good way to connect the world." She and her friend Dasha Zhukova, the gallerist, brought "art-world relationships [with] top galleries, dealers, investors, Gagosian, Pace Gallery". By starting with the top galleries, the site gained instant credibility, she says, nor was there a rush to make a profit; instead "we decided it was important to build a business".

Profits are elusive in the online art market. David Rosenblatt is yet another billionaire who has taken an interest in the field (he sold an advertising technology company to Google) by becoming chief executive of 1stdibs, a fixed-price marketplace. When asked whether 1stdibs, which has been around since 2001, has ever made a profit, he says, "We don't disclose that because we're a private company" and talks about reinvesting revenue but adds, drily, "You can infer the answer from that."

The presence of so many billionaires in the industry might be revealing about the "patient capital" needed to support it and the glamour inherent in an art-tech combination.

Like others in the industry, Rosenblatt is dismissive about the auction market's hulking incumbents. How are the big players adapting to ecommerce? "To date we've seen almost no adaptation . . . So far it appears it has not been a priority for them."

Christie's, having spent at least $20m (a 2014 figure) on its site, strongly contests this. In a meeting with its top web-focused executives, they talked about how the reality of digital auctions has overturned their preconceptions of them. It has replaced the standard "guillotine" model for an online auction, where lots time out, with "a bidding extension mechanism", says Keith Gill, head of day sales for Impressionist and Modern art: a last-minute bid on a lot postpones the (virtual) hammer, just like in the saleroom. Some lots have extended by 15 or 20 minutes, says Angelina Chen, head of ecommerce for jewellery.

Sotheby's, Christie's prime rival, has had a bumpier course. It has engaged eBay twice as an online sales platform, first in 2002 for a year and then again in 2015, but has also worked with Artsy and Invaluable (whose technology it uses under its own brand). While Christie's sold almost $50m in pure online auctions last year, Sotheby's made $6m in 16 sales starting in July.

Others have encountered the paradox in the online art sector which Paddle8 met. While such companies were set up to operate without the physical overheads that cost Sotheby's and Christie's so much (suites of salerooms, vast stockrooms for lots), bidders like them.

Minal Vazirani co-founded Saffronart, an Indian online auction site, in 2000 for "humble reasons": the fragmented and opaque art market in India made it hard to collect good modern and contemporary art at reasonable prices. The site's online-only auctions grew from $126,000 in December 2000 to $17m in 2006, before slumping alongside the global economy.

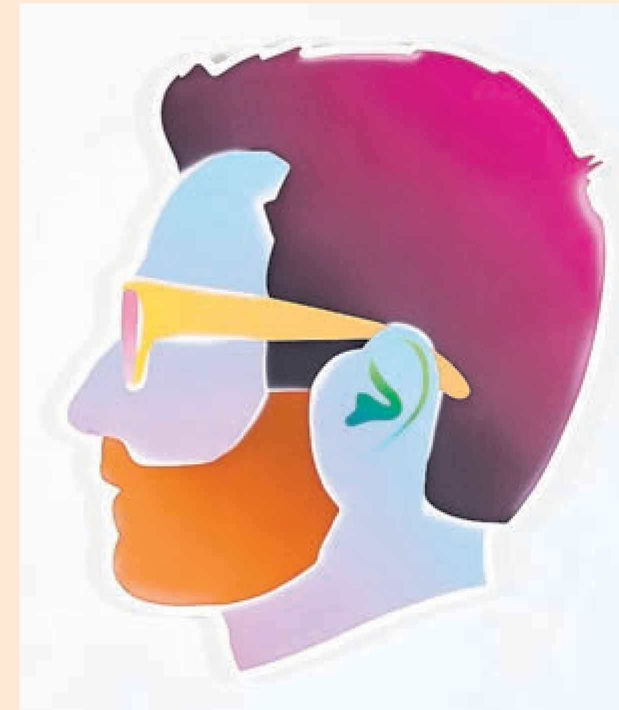
It was the slump which persuaded Saffronart to offer live, physical auctions. New buyers "liked the excitement of the physical room", while Saffronart's "hybrid bidding system", which allowed participation online, on telephones, on mobiles and in person, multiplied potential audiences. In 2016, Saffronart sold about $30m, she says. Vazirani has discovered that the digital is becoming physical.

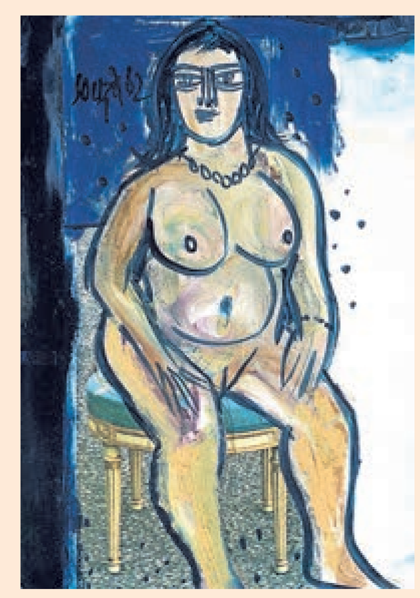
While several interviewees suggested that there was no problem selling lots up to $100,000 online, lower-price lots are still the strongest draw. The Hiscox report says that 52 per cent of fine art lots online were sold for between £501 and £5,000 and predicts that the lower end will be resilient. In February 2017 Will Ramsay, who founded the Affordable Art Fair in 1999, launched an ecommerce site to reach these clients, "because millennials are much more inclined to buy art online". Early orders have been around the £600 mark, which is only slightly lower than the average price of an item at one of his fairs.

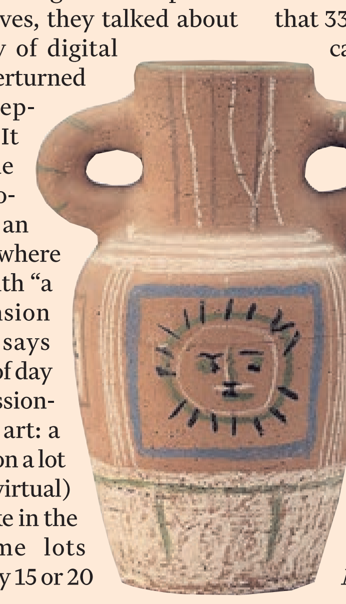
It is a trend Vazirani has picked up on too. In 2013, she launched StoryLTD (pronounced "limited") for "collectibles but at lower price points" — editions and the like. "That's some of where I expect to see scale coming through," she says. Whereas Saffronart has an average lot price of $30,000, on StoryLTD it is $2,000, and Vazirani says some StoryLTD collectors have migrated up to Saffronart. Similarly, Christie's boasts that 33 per cent of new buyers in 2016 came through its online platform, and half of those went on to bid in "traditional" auctions: the website functions as an immense client acquisition system, as one executive described it.

As in any part of the start-up world, misfirings such as Paddle8 and Auctionata's are inevitable. But if the young companies can make a profit and the incumbents can evolve, there will be plenty of sites bidding for collectors' attention.

Additional research by Mary Childs







Clockwise, from main picture: Lancelot Ribeiro's 'Green Landscape' (sold through Saffronart); Alex Israel, 'Self Portrait' (Artsy); F.N. Souza, 'Untitled (Seated Nude)' (Saffronart); Picasso's 'Vase au décor pastel' (Christie's)

Brecht that buzzes with invention

THEATRE

Life of Galileo
Young Vic, London
★★★★☆

Sarah Hemming

It's not just the planets that are on the move in Joe Wright's fizzing new production of Brecht's mighty classic about the ground-breaking scientist. Everyone's in orbit on Lizzie Clachan's wooden walkway of a set that makes a doughnut of the auditorium, with some audience members reclining on cushions in the central hole. Around them loops the raised acting area, round which the cast zip like little moons; around that is the remaining audience, seated in concentric circles like the rings of Saturn. And at the centre of it all is Brendan Cowell's excellent Galileo. A pugnacious barrel of a chap in T-shirt and jeans, he hurtles round the room, exhorting us to think, to wonder, to gaze in awe at the canopy of stars projected (by 59 Productions) above us on a huge planetarium-like disc: a majestical roof fretted with golden fire.

If you think Brecht is dull, this is anything but. Rough-and-ready, buzzing with invention and driven by a throbbing soundtrack from Tom Rowlands of The Chemical Brothers, this is a staging that vividly communicates the thrill of knowledge. Equipped with John Willett's colloquial translation, it shifts nippily through the story of the Italian polymath who scrutinised the heavens, confirmed that Copernicus was right and so drew the unwelcome attention of the Inquisition. Wright makes light work of Brechtian "alienation": actors slip in and out of roles and Cowell himself announces the scenes — including those that are cut. This makes it easy to accept the play as a construct and focus on its driving questions about truth, power and orthodoxy.

Cowell's Galileo emerges as a man way ahead of his time in his determination to open minds: an inspirational teacher and galvanising presence. Cowell conveys his pedagogic zeal, but also his opportunism (pinching the telescope design) and his emotional clumsiness (casually blighting his daughter's future). A fine ensemble shape-shift around him: Billy Howle is particularly impressive as his pupil Andrea, who is devastated when his inspirational mentor appears to cave in under pressure.

The production doesn't quite get across the cold terror of the Inquisition or the chill of Galileo's recantation and it loses focus and momentum towards the end. But, at a time when it is less the spinning of the planets and more the spinning of the truth that concerns us, this vigorous plea to think for ourselves earns a small constellation of stars.

To July 1, youngvic.org

Off-centre: Brendan Cowell as Galileo, left, and Alex Murdoch
Alastair Muir

FT BIG READ. THE NEW SILK ROAD

Unveiling investment

Pakistan should be one of the main beneficiaries of China's ambitious 'One Belt, One Road' initiative. But investment of $55bn is provoking concern over who really benefits and criticism of Beijing's approach.

By Henny Sender and Kiran Stacey

The signs in the lobby of the Pearl Continental Hotel in Lahore could hardly be more gushing. "Long live Pak-China Friendship," they read, advertising a conference to promote the China-Pakistan Economic Corridor. The banners add: "Our friendship is higher than the Himalayas and deeper than the deepest sea in the world, and sweeter than honey."

That high, deep and sweet friendship is also worth a lot of money. The CPEC scheme, which will link western China to the Arabian Sea through Pakistan, is a cornerstone of the ambitious "One Belt, One Road", a 65-nation strong initiative that aims to create a modern Silk Road connecting the world's second-largest economy with Central Asia, Europe and Africa.

It is the pet project of Xi Jinping, China's president, who described the infrastructure-driven scheme this week as "the project of the century" when he met heads of state to discuss progress. On the surface Pakistan is on schedule to be one of the largest beneficiaries of Mr Xi's ambition and arguably no country has as much to gain. Growth in gross domestic product is running at close to 5 per cent a year but it is not enough to absorb the 2m to 3m people entering the job market annually.

"Pakistan has not been part of the world for a long time," says Khurram Dastgir Khan, the commerce minister. "We were in a dark bubble and we are only just emerging. There is a fear that China will sell us cheap goods because we can't compete. [But] China is the only game in town."

Such concerns are an acknowledgment that Pakistan's economy has struggled, not only when compared with neighbouring India but also against the likes of Bangladesh, which has built a large manufacturing base.

> 'There is a scary downside to this project. There is a big neighbour sitting next door and for them we are just a province'

Beijing is set to invest more than $55bn in its neighbour, building power plants, roads and railways to give its infrastructure a much-needed upgrade as it seeks to emerge from years of political instability. Estimates from the Pakistan Business Council suggest the projects could account for 20 per cent of the country's GDP over the next five years and boost growth by about 3 percentage points.

But Pakistan's policymakers also hope the relationship — Beijing last month provided more than $1bn in loans to help Islamabad stave off a currency crisis — will insulate it from the possibility that China will use its investments as a way to grab resources, profits and political power from its smaller, poorer neighbour.

China accounts for almost two-thirds of Pakistan's $20bn-plus trade deficit, and increased exports to its neighbour by 77 per cent in the three years between 2012 and 2015 from $9.3bn to $16.5bn, which has made some sceptical of Beijing's approach.

"There is a scary downside to this project," says one business leader in Karachi, Pakistan's biggest city and its business centre. No one wants to speak openly against CPEC for fear of alienating governments on both sides of the border, which have committed significant political capital to making it happen. "There is a big neighbour sitting next door and for them we are just a province," he adds.

Beijing's priority

The leak of China's original proposals for the CPEC agreement in the Pakistan newspaper Dawn this week heightened fears. The terms prioritise the industrial ambitions of the Xinjiang Production and Construction Corps, a quasi-military organisation vital to Beijing's oil and security policies which also dominates the agricultural economy of the frontier region of Xinjiang.

Comparing it with the trading organisation that paved the way for British rule in India, the head of a large investment company in Pakistan says: "We have to be careful if we don't want this to turn into a repeat of the East India Company. If we squander it, it will."

China wants to complete four main tasks via CPEC: expand the Gwadar port on Pakistan's south coast, which it financed, built and owns, build a fleet of power plants, construct road and rail links and set up special economic zones where companies can enjoy tax breaks and other business incentives.

In building infrastructure, Beijing is doing for Pakistan what Islamabad has been unable to do for itself, especially as far as power generation is concerned.

Friends united: Pakistani labourers prepare for a visit by Xi Jinping, China's president, to Islamabad in 2015. Right, a billboard featuring Mr Xi, his Pakistan counterpart Mamnoon Hussain (left) and Nawaz Sharif, the country's prime minister — Farooq Naeem/AFP/Getty Images

Peak electricity demand in Pakistan is 6 gigawatts greater than it can generate — equivalent to about 12 medium-sized coal power plants. Blackouts in many parts of the country last for several hours a day.

To meet this shortfall China is expected to spend more than $35bn — about two-thirds of the entire CPEC budget — building or helping to construct 21 power plants, which will be mainly fuelled by coal. The combined 16GW of capacity that they could provide would repair Pakistan's supply gap twice over.

The building work associated with CPEC has already boosted heavy industry in the country. Arif Habib, one of the country's biggest business conglomerates, says it is trebling its cement production in anticipation of CPEC.

"China will expand the [economic] pie," says Ahsan Iqbal, Pakistan's planning minister. "This project will create new [domestic] demand."

'China can't let CPEC fail'

Another attraction for Pakistan is that China could provide security. In a country that has been plagued for years by terror attacks, Beijing will want to make sure its investments are protected. Last week, at least 10 local contractors working near Gwadar were killed by unidentified gunmen.

Exactly what form this security assistance will take is unclear. China is selling billions of dollars' worth of defence equipment to Pakistan and has handed over two ships to the navy to help protect Gwadar port. Ministers have, however, denied reports that Chinese troops are also stationed in Pakistan.

"There is a security dimension to CPEC," says Mushtaq Khan, chief economist at Bank Alfalah and a former chief economic adviser to Pakistan's central bank. "It is right for the Chinese to secure and pay for Gwadar. China can't let CPEC fail."

For all the benefits — money, expertise and manpower — that China offers, many have expressed concern about the terms of the deals and whether they might undermine Pakistan's industry and even sovereignty.

Local and international bankers say the procurement and bidding procedures around CPEC greatly favour Beijing, Chinese companies winning Chinese contracts to build and finance infrastructure in Pakistan, in deals often guaranteed by Islamabad.

"The risk is that down the line China will call the shots and that we will pay the price later," says Syed Murad Ali Shah, the chief minister of Sindh, the province in which Karachi is located. "It is up to us."

The Chinese plan, revealed by Dawn newspaper to have been delivered in December 2015, has only added to those concerns. It talks about thousands of acres of agricultural land leased out to Chinese enterprises to develop seed varieties and irrigation technology. It would install a full system of monitoring and surveillance in cities from Peshawar to Karachi, with 24-hour video recordings on roads. It would build a national network of fibre-optic cables to boost internet access.

Key to this is the XPCC. Under the plan the Han Chinese economic and paramilitary organisation is mandated to invest in Pakistan as a springboard for economic development around Kashgar, the heartland of 11m Turkic-speaking Muslims known as Uighurs.

Ministers in Islamabad say the document contains proposals originally drawn up by Beijing, but will not say how far the draft agreements, which are still being negotiated, differ from it.

Critics argue that Pakistan risks repeating the mistakes of the 2006 free-trade agreement with China which was settled on unfavourable terms for Islamabad. And opposition politicians have attacked the government for giving away too much to the Chinese.

Asad Umar, a member of the opposition Pakistan Tehreek-e-Insaf party, says of the leaked Chinese proposals: "This is the kind of lack of seriousness which has resulted in Pakistan losing rather than gaining from all the free-trade agreements we have signed."

Across the border in India, which is so concerned about China's ambitions in Pakistan that it boycotted Mr Xi's multinational conference in Beijing, the criticism has been even more damning. Swarajya, an Indian rightwing magazine, said the leaked document showed China intended "to reduce Pakistan to a vassal state". New Delhi is worried both about Chinese encroachment into parts of Kashmir operated by Pakistan, which India regards as its own territory, and about the potential for China to station navy forces at Gwadar.

In an effort to reassure its neighbours, Nawaz Sharif, Pakistan's prime minister, told the Beijing conference: "Let me make it very clear that CPEC is an economic undertaking open to all countries in the region. It has no geographical boundaries. It must not be politicised."

Given the scale of the initiative, and Beijing's soft power play, it is unlikely that the arguments will recede. According to Pakistan's Overseas Investors Chamber of Commerce and Industry, CPEC power projects will provide backers with an average of about 20 per cent return on equity. Ministers in Islamabad admit the returns might look high, but they point out that the guaranteed payments to power producers are lower than current prices, and that no one else was willing to finance the schemes.

"We wanted power investments, but nobody came in," says Mr Iqbal, the planning minister. "The Chinese spotted an opportunity."

'Money has no colour'

Others question the opaque nature of some of the deals. Vaqar Ahmed, deputy executive director at the Sustainable Development Policy Institute think-tank in Islamabad, says he tried to get the details of the memorandums of understanding and progress reports on specific projects, but was blocked by the government from doing so.

Some officials blame the opacity on provincial rivalry as local politicians spar to get more Chinese investment for their districts. But others attribute it to the fact that the Army is involved on both sides of the border although the extent of the military role remains unclear.

Whatever the concerns in Pakistan, that Islamabad is ceding too much power to China, many in the business and political communities argue that the benefits from the infrastructure projects are well worth it.

"Pakistan requires money and money has no colour," Kimihide Ando, head of Mitsubishi Corp in Pakistan, says.

Others argue that, following the problems with the free-trade agreement, Pakistan's ministers will be more savvy this time. "The Chinese have taken us for a ride [before] but we have let them," says Ehsan Malik, chief executive of the Pakistan Business Council. "Given we have made huge mistakes before, hopefully we will learn this time."

Additional reporting by Lucy Hornby in Beijing

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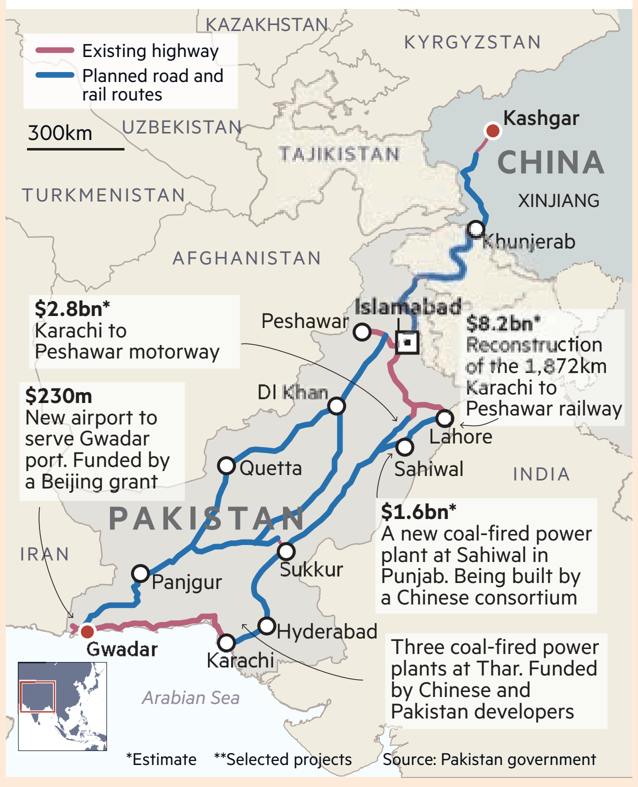

*Estimate **Selected projects Source: Pakistan government

Securing resources
Investment plans take XPCC beyond the frontier

Xinjiang Production and Construction Corps, a unique relic of Maoist resettlement policies, is at the crux of Beijing's plans to invest $55bn in agriculture, energy and infrastructure in Pakistan, according to plans leaked by the Dawn newspaper this week.

XPCC, known in Chinese as the *bingtuan*, was set up after the Korean war to move demobilised Chinese soldiers to the Central Asian frontier, where they would "settle the wilderness" and control ethnically distinct borderlands. Soon after, the settlements morphed into gulags for opponents and sent-down youth during the cultural revolution in the 1960s.

Dismantled after that tumultuous decade, XPCC was soon re-established as the fall of the Soviet Union and the large-scale exploitation of oil and gas reserves increased the energy and security importance of Xinjiang — literally, the "new frontier".

Almost 70 years after its founding, XPCC controls much of the autonomous region's water resources. It operates vast cotton, tomato and fruit plantations, and controls about a dozen listed companies. XPCC has adopted modern irrigation techniques in order to allocate more water to Xinjiang's big new coal mines, but still relies heavily on subsidies for its cotton output. Seeds, cotton, yarn and irrigation technology are among the industries it will oversee in Pakistan, according to the proposals.

XPCC functions autonomously in Xinjiang, representing a population of about 2m people almost all of whom are Han Chinese. Its more recent expansion into the heartlands of the ethnic Uighurs in the south of the region has been accompanied by unrest among the local population.

In 2013, XPCC leased vast tracts from privatised state farms in Ukraine, investing in irrigation to grow corn, sunflowers and pigs. *Lucy Hornby*

Speed read

New routes Chinese investment into Pakistan is a cornerstone of its 65-nation strong 'One Belt, One Road' plan

Big mission CPEC aims to build power plants, roads and rail lines, expand Gwadar port and set up economic hubs

Gifts to Beijing Business leaders and opposition politicians are wary of giving away too much to the Chinese

FINANCIAL TIMES
'Without fear and without favour'
THURSDAY 18 MAY 2017

Trump's failures risk a constitutional crisis

The presidency is a shambles, and US institutions must be protected

The American presidency is an office of awesome power. The incumbent controls a nuclear arsenal and the most potent military force on earth. Under the US constitution, the president enjoys the power to make war, grant pardons and enforce the law. But that same constitution imposes constraints. No president is above the law.

These considerations should weigh on the minds of those contemplating how long Donald Trump can remain in the White House. Removing a president is the ultimate sanction, one not easily executed. It would also trigger a destabilising crisis in the US, the most important democracy in the world.

Yet the situation in Washington is grave. Mr Trump is openly at war with his intelligence services. He has fired his Federal Bureau of Investigation director. The White House is paralysed by leaks, and its legislative agenda is at a standstill. Prospects for tax reform, a trillion-dollar infrastructure programme, let alone the replacement of Obamacare, are remote at best.

Much of the damage is self-inflicted. Mr Trump has all but admitted that his unhappiness with the FBI investigation into Russian meddling in the 2016 presidential election was one of the reasons he sacked James Comey. He similarly asserted the right to share highly sensitive intelligence at a meeting with Russian diplomats. The latest furore is the disclosure that he pressed Mr Comey to end the probe into former national security adviser Michael Flynn, who lied about contacts with Russian officials. This last intervention looks like an attempt to interfere with an investigation into Mr Trump's campaign. Depending on what else the FBI investigation uncovers, this could be the beginning of a trail leading to the charge of obstruction of justice. If so, that would almost certainly lead to impeachment.

We are not there yet. In the short term, Congress and the president can avoid the cliff edge. But this will require that the president cede the principle of an independent investigation into the Russian meddling, whatever the outcome. The integrity of the constitutional system is at stake. However much Mr Trump may wish to cast himself as the outsider cleaning up Washington, he must understand that the constitutional order is more important than he is.

While the investigation takes its course, Mr Trump must address his manifest failings as chief executive. The government will never regain its footing unless discipline is imposed, not just on the executive branch but also on the president. Mr Trump has to stop shooting from the lip and focus on the business of state, starting with his trip to the Middle East and Nato allies next week. He might begin by ending his rhetorical wars with anyone who criticises him.

This may prove beyond the capacity of a 70-year-old tycoon who inherited wealth, has no party loyalty and who has long been accustomed to having his own way. But Congress should still tread carefully before setting in motion the steps to remove the president. Intervention cannot be justified by presidential incompetence, how ever gross. The only possible rationale is defence of the constitution.

This test was met during the Watergate scandal where the threat of impeachment forced Richard Nixon from office. Crucially, enough Republicans joined Democrats in a joint effort to censure a president who considered himself above the law. The bipartisan character of the process was crucial. It allowed the institutions of government to recover. If the crisis continues to escalate, everyone in Congress must put country before party.

Iran's choice lies between hope and vested interests

Rouhani still offers the best chance of more openness to the world

Tomorrow's presidential election in Iran will not just decide whether Hassan Rouhani, the centrist incumbent, beats Ebrahim Raisi, his hardline opponent, and wins a second term. It will also be seen as a test of the nuclear deal Iran reached with six global powers in 2015, a milestone Mr Rouhani promised would end isolation, prompt reintegration into the global economy and bring acutely needed investment, technology and jobs.

That hope has been largely frustrated and, with Donald Trump belligerent towards Iran and hostile to a nuclear agreement he described as "the worst deal ever", it is in danger of evaporating altogether.

The painstakingly negotiated nuclear compromise the US, Russia, China, France, Germany and the UK reached with Iran curbed its uranium enrichment programme in exchange for valuable but limited sanctions relief. This was enshrined in a UN Security Council resolution. But non-nuclear sanctions the US keeps in place, mainly aimed at deterring Iranian adventurism abroad, in practice mean Iran is all but cut off from the international banking system. Sanctioned entities such as the Islamic Revolutionary Guard Corps (IRGC) are so embedded in Iran's state-dominated economy that few investors and almost no banks will risk draconian penalties from the US Treasury by doing deals there. Mr Trump has ordered a review of Iran policy that is likely to see this already sharp weapon cutting deeper.

Assuming, however, that for now Washington keeps honouring the deal — Mr Trump is due to decide this week whether to extend nuclear sanctions relief — Mr Rouhani's chances of re-election will improve. Iran's young and dynamic population, which keeps turning out to vote in hope of change despite knowing the theocrats tolerate elections mainly to legitimise their rule, has little choice but to keep hoping. As in 2013, the pre-vote endorsement of Mohammad Khatami, the reformist former president, should help Mr Rouhani and boost turnout.

Mr Raisi, a former prosecutor alleged to be involved in the 1980s mass executions of dissidents, seems to have the support of Ayatollah Ali Khamenei, the supreme leader, and the IRGC. Yet this lets Mr Rouhani shrug off a lacklustre record by appearing to run against an entrenched theocratic establishment.

The outcome of the vote is nonetheless important because this is a battle between those who want to open Iran to the world and vested interests determined to keep it closed. The IRGC, for example, is many things: the biggest spider in the tangled web of Iran's economy; the enforcer of theocratic hegemony at home; and the expeditionary force cutting a swath through Iran's Arab neighbours abroad. For the revolutionary guard elite, Iran's reintegration into the world is the sort of shift that leads eventually to regime change.

For all his promises of change, Mr Rouhani has made little ground against such powerful opponents, though he has reined in rising inflation and chipped away at endemic corruption. But if re-elected, he could find his hand strengthened.

The election has relevance in the eventual succession to Ayatollah Khamenei. The two likeliest successors are Mr Rouhani and Mr Raisi. Winning the presidency would be an advantage, as is Mr Rouhani's relatively strong support inside the Assembly of Experts, the elected 88-man body that will select the next supreme leader. As president there will always be limits to what Mr Rouhani can accomplish. But if he were to reach the top position, the perennial hopes of Iranians for change could start to look more realistic.

Letters

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Domestic price pressures are evident in the UK

Sir, The Bank of England continues to suggest that the fall in the pound is the sole factor behind the surge in UK inflation, the latter now up to 2.7 per cent year on year, the highest since late 2013. (May 17). This is peculiar in two ways. Firstly, it is widely accepted that the fall in the pound has been related to Brexit, but the BoE has remained reluctant to acknowledge that the vote has yet had any clear adverse consequences for the economy.

More notably, the BoE continues to suggest that domestic price pressures are not to blame, also suggesting that the latter are running at a pace below its 2 per cent inflation remit, However, unit labour costs — perhaps the best measure of domestic cost pressures — have been growing above 2 per cent in each of the last three sets of quarterly data, while services inflation — another domestic price gauge — is now up to 3 per cent year on year.

As a result, the BoE can no longer contend that domestic price pressures are not growing in line with its target. Moreover, the pick-up in productivity the BoE is pointing to still looks be wishful thinking, this being all the more the case after the clear drop in output per hour that occurred in the first quarter. As a result, spare capacity in the economy may not open up as the central bank suggests and therefore domestic cost pressures may prove to be higher than the BoE thinks in the coming years. This is all the more likely if Brexit uncertainty hits the supply side of the economy in the manner in which the central bank was warning ahead of the referendum last June.

Alongside the strength in consumer credit, this clear strength in domestic price pressures should make the BoE reassess its thinking through the summer, possibly making it accept that seeking a stronger pound may actually be economy supportive by lowering inflation. While the BoE is now clearly in neutral, the risk of a rate rise later in 2017 cannot be dismissed.

Andrew Wroblewski
Woodford, Essex, UK

A federal EU could shape macroeconomic policy

Sir, Martin Wolf ("Macron and the battle for the eurozone", May 17) says that federalism is not the answer for the EU because, first, "even federations break up" and, second, some regions will be depressed forever. Actually, no democratic federal union has ever broken up. Perhaps Mr Wolf is thinking of confederations, which are indeed the more difficult and weaker form of transnational government. There is no reason to think that a strong federal government of the EU would not work to the benefit of all its states, citizens and regions.

In contrast to the present state of affairs where the European Commission and Council have confused responsibilities for attempting to co-ordinate national economic polices, a federal union would have a common macroeconomic policy as well as the fiscal instruments to correct imbalances. An integrated labour market would manage worker mobility within the EU as well as immigration from outside. A larger EU budget supplied by revenue from EU taxpayers would be utilised to help poorer regions to be more productive. The transfer of some big-ticket items of expenditure up from member state to the federal level would save national treasuries money.

Such a sharing of responsibility between taxpayers requires a strong central democratic government accountable to a European Parliament made more legitimate by-election on a transnational basis, with real EU political parties.

The federal ideal is not new and should not shock us. President Emmanuel Macron has the rare advantage among EU leaders of knowing what he's talking about when he speaks of EU reform. Chancellor Angela Merkel may have to trot a bit to catch up, but a change of gear and a steer in the federal direction is exactly what Germany and the wider Europe needs.

Andrew Duff
Visiting Fellow, European Policy Centre, Brussels, Belgium

Ban cryptocurrencies to tackle cyber attacks

Sir, An effective policy to curtail ransomware which has caused havoc in the UK's National Health Service and elsewhere would be to ban the use of bitcoin and similar "cryptocurrencies". Anonymity and fungibility have always made cash the favoured tool for illegal activities. Credit cards, cheques and bank transfers are too easily traceable. Bitcoin moves the criminal's favoured financial tool online, with disastrous consequences.

The world now faces a historic choice: either allow cryptocurrencies to proliferate, until it is too late to ban them, or eliminate such tools and enjoy an era in which illegal activity online is circumscribed. Bitcoin was introduced in 2009. It has fulfilled no useful purpose in the financial system. Its only major effect has been to facilitate massive criminal activity. Yet with support from governments, such cryptocurrencies are thriving. The global value of bitcoins in circulation has increased from \$3bn to about \$29bn in the past two years. New currencies, such as Ethereum and Ripple, are growing even faster.

It is still possible to make all activity in cryptocurrencies an offence. Their worldwide value is \$50bn — only 1.7 per cent of the value of the FTSE 100 stocks in London. Destroying this asset value would create few problems, and would strike a blow for justice as much of it is held by wrongdoers.

Absurdly, governments labour to bolster legality in anonymous physical cash, while encouraging unregulated use of its digital equivalent: the eurozone bans €500 bills, but allows criminals access to online bitcoin "notes" of unlimited value. India tries to uncover illegal funds held in banknotes, while leaving bitcoin stashes unchecked. The UK introduces high-tech pound coins to foil forgers, while allowing criminals use of higher-tech "pound bitcoins". China attempts to control smuggling of cash, while letting bitcoin transfers flow freely.

Cryptocurrencies will soon become a large segment of the global financial system. Banning them would then threaten financial stability, but regulating them will be impossible. Meanwhile, life will become easier for people with the moral turpitude to destroy hospital IT systems. History will judge very harshly those who allowed this to happen.

The utility of a currency depends on confidence that it is accepted as a means of payment. If even one major economy banned cryptocurrencies, these would be hobbled. The UK should take the lead. Otherwise, the next time the NHS is crippled by an attack financed in bitcoin, the government will rightly be accused of complacency as sick people die.

Misha Cohen
London SW4, UK

NHS should develop its own data assets

Sir, Aside from questioning DeepMind's "inappropriate legal basis" to use patient data (May 15), the real question is why is the NHS so happy to give away its own (and more importantly, people's) most valuable asset? Part of the defence is that the data are anonymised, but when this happens, naturally the company will decouple it from the people it originated from, meaning that they will not receive any reward for the results of its application. Imagine if in a few years DeepMind created a cure for diabetes, would the original patients whose eye scans were used anonymously receive a share of the revenues? What is more likely is that the cure will be sold to a big pharmaceutical company, which will then sell it back to the NHS for even more. And who pays for the NHS?

Nicholas Oliver
Chief Executive, People.io, London EC1, UK

English the lingua franca?

Sir, "Slowly but surely English is losing importance in Europe", Jean Claude Juncker remarked last week at the European University Institute in Florence (May 5). I reckon his observation is quite wide of the mark.

Travelling to Strasbourg from Paris a fortnight ago I listened to the conductor make his train announcements in French and then English. Attending the Council of Europe session the next day, the only French I heard was from a French parliamentarian: everyone else spoke English, or Russian.

Keith Boyfield
Research Fellow, Centre for Policy Studies, London SW1, UK

Financial transaction taxes offer stability to the market

Sir, You reported that London's mayor said last year that a financial transaction tax would lead to "people going to other parts of the world" (May 15). Sadiq Khan was probably not referring to the tax presented in Labour's manifesto last Tuesday.

Since June 28 1694, people have gone to other parts of the world to avoid the UK stamp duty on share transactions but it still nets the Treasury £3.3bn annually. Half of that comes from people who live in other parts of the world. They pay it because their transaction is legally unenforceable if they do not. Pension funds and retail investors pay it, but hedge funds and others do not because of a loophole Labour vowed to close. Extending the tax to derivatives as Labour proposes employs the same basis of tax that British, US and other citizens already comply with when they buy foreign shares. They pay taxes based on where they live, not where they trade.

The rise of integrity-sapping flash crashes in financial markets is a direct result of the increasing dominance by high-frequency traders. This tax on churning will bring strength and stability to our markets, which is why I support it.

In their opposition, my former banking colleagues follow an obfuscation strategy used earlier by the tobacco industry. They repeat ad nauseam that a stamp tax is the same as the 1985 Swedish broker tax when it isn't, that no one would pay it and that it would still cost jobs.

In its report to the 2010 G20 meeting on financial sector taxation, the IMF points out that financial transaction taxes are feasible and collect more than \$30bn a year in 20 major jurisdictions including the fastest-growing economies.

Avinash Persaud
Chairman, Intelligence Capital Limited London SW17, UK

Plan B is problematic too

Sir, The main problem with Wolfgang Munchau's call for the Conservatives to produce their Plan B strategy for Brexit (May 15) is that to most of their supporters Plan B will look a lot better than any Plan A. Presumably it will contain no payments to Brussels and will hold out the opportunity of zero-tariff trade to non-EU countries.

The pressure to switch to Plan B will be mounting at exactly the moment when it is meant to be encouraging the EU to accommodate Plan A. Perhaps this may add to its potential efficacy but instead I suspect it will unleash a force too difficult to control.

Hamish Parker
London W6, UK

Corrections

- About 1.5m people earn more than £80,000 a year in the UK, not 150,000 people as incorrectly stated in an article on May 12.
- David Gerard is the author of *Attack of the 50-foot Blockchain*, not Richard Gerard as incorrectly stated in an article on May 15.
- The Dominican Republic has 35 correspondent banking relationships, not one as incorrectly stated in an article on May 8.

One election not worth a meddle from Russia

Notebook
by Roula Khalaf

The Iranian businessman chased me after my talk, babbling about Vladimir Putin, Tatarstan and Iran's presidential election, which is taking place on Friday. "Please look into how Putin is interfering in the election," he insisted.

It was a few weeks ago and I was speaking to an audience of Iranian and British business people about US policy and Iran, and the prospects for the nuclear deal that forced the Islamic republic to curtail its programme in exchange for sanctions relief. The businessman's mutterings sounded paranoid. But they piqued my curiosity and sent me searching for an explanation.

It turns out that the Russian connection surfaced in April during a visit to Tehran by the president of Tatarstan. Rustam Minnikhanov, who has sometimes acted as a Putin envoy, met several officials, including Ebrahim Raisi. He is the senior cleric and hardline candidate who is hoping to deny the centrist and internationally respected Hassan Rouhani a second term in office. That meeting, it seems, was enough to earn Mr Raisi the label of Russia's man, and spark rumours of Russian interference. On social media, the conservative candidate's name was mockingly altered to the more Russian-sounding Roysieh.

Now the Iranian businessman's anxiety made sense to me. Except that, politically, it made no sense at all. Russia has become a master meddler in other countries' elections. Iran, however, is an outlier. For one thing, the Iranian election is not worth Mr Putin's trouble. The presidency is an influential position but not the most powerful. The ultimate decision maker is Ali Khamenei, the supreme leader, who will be replaced only after his death. His successor will be picked by a council of religious experts who will not be swayed by outsiders, least of all the Russians.

Iran and Russia work together at times but they also have a fraught history. Iranians trust Russians even less than their American enemies. Above all, they hate anyone who dares to meddle in their affairs, even if they defend their own interference in the politics of countries around them.

Second, this election is a rare occasion where the interests of Russia and western governments converge. Mr Rouhani is the architect of the 2015 nuclear agreement that Iran signed with world powers, which included the US and Russia. Although we think of Russia as the serial international troublemaker, the risk to the accord's fate today lies more in Washington than in Moscow.

On the campaign trail, Donald Trump, who claims to have mastered the art of the deal, railed against it as one of the worst ever negotiated. The Trump administration has yet to find fault with Tehran's implementation of the accord but it is reviewing its Iran policy, and wants a more robust approach. In fact, the biggest fear for the nuclear agreement is that the US will pile up on Iran so many more unrelated sanctions that Tehran will eventually retaliate by halting compliance.

Third, Mr Rouhani seems to have a perfectly good relationship with Russia. He was feted in Moscow in March, where he met Mr Putin, signed a series of deals and received an honorary degree from Moscow State University.

Yes, Russia and Iran have something of a problem in Syria, where they are allies and rivals at the same time. Their support has ensured the survival of the regime of Bashar al-Assad. But Russia is hoping ultimately to strike a deal with the US and is willing to contemplate, at some point, the departure of Mr Assad. Iran is more attached to him and wants the Shia militias it funds to stay on in Syria.

Still, if Russia's immediate political interests are to safeguard the nuclear deal and manage the Syrian war, the configuration of the regime in Tehran suits it rather well. The big decisions in Iranian policy, whether on Syria, the US or the nuclear deal, will remain in the hands of the supreme leader. A president can temper or exaggerate the leader's inclinations. Mr Rouhani would counsel moderation; Mr Raisi could reinforce the leader's more belligerent instincts.

So if Russia were to meddle at all in the election, surely its interest would be to bolster Mr Rouhani and help keep the nuclear deal alive.

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Comment

Paralysis grips Republicans over Trump

AMERICA
Edward Luce

If America's political system were working as it should, Donald Trump would be in serious trouble. Either Congress would be taking steps that could ultimately lead to impeachment, or people around the president would have concluded him unfit for office. But Mr Trump retains an ace up his sleeve. No elected Republican dares cross him. Any who think of standing up to him know they would risk an electronic lynching that could finish their career. Just ask Jeb Bush.

America's government is at a dangerous impasse. Most people know Mr Trump is unfit to be commander-in-chief. But nobody with the power to redress it has found the courage to act.

The tragedy for America — and the world — is that this is likely to persist at least until next year's US midterm elections. Even overt signs that Mr Trump is trying to obstruct justice, which was the first article of impeachment against Richard Nixon, are glossed over. Between a quarter and a third of Americans are diehard Trump supporters. They have the power to eject rebel Republicans in primary elections.

Trumpians are stoked by a closed ecosystem of news sites that presents the world in a radically different light to the rest of the media. Thus Mr Trump did not fire James Comey last week. The director of the Federal Bureau of Investigation resigned, according to Fox News. Likewise, Mr Trump did not disclose vital intelligence to Russia's foreign minister. Nor did he put pressure on Mr Comey to shut down the investigation into Michael Flynn, Mr Trump's first national security adviser. These are fake stories.

Most of the sites ignored this week's revelations and focused on the shooting of Seth Rich, a Democratic staffer who had apparently forwarded thousands of emails to WikiLeaks last summer. Readers were left in no doubt that Hillary Clinton, or people close to her, were involved in Mr Rich's murder.

We should not underestimate the power Mr Trump draws from these alternative narratives. Whenever the elites express outrage at his actions, his supporters take pleasure in their anguish. Mr Trump knows how to cater to his base. If that means passing secrets to the Russians the day after firing the man investigating his campaign's alleged Russia collusion, all the better. Scholars call this "negative partisanship". People no longer join a party because they believe in its agenda but because they despise the other one. By mocking his opponents, Mr Trump is literally delivering on what he promised. It is a mandate for nihilism.

> America's government is at a dangerous impasse. But nobody has found the courage to act

This poses a terrible dilemma for Republicans. Some are hoping to bide their time until midterm elections. Mr Trump's approval ratings are so low that if the polls were held today Republicans would lose control of the House of Representatives, and possibly the Senate. At that point, Republicans would start to abandon Mr Trump's ship. Democrats may well campaign on a promise to impeach Mr Trump. But that is almost 18 months away. Other Republicans are hoping to extract what they can before the Titanic starts to sink.

Most, such as Paul Ryan, the House Speaker, are prepared to suffer the indignity of working with Mr Trump if it gives them the chance to pass a big tax cut. In Mr Ryan's view, such a cut would unleash America's animal spirits and restore freedom to individuals.

It is a coherent position. But Mr Trump keeps making it harder for Mr Ryan to build the case for it. The chances are now at least as good that the firestorm around Mr Trump will engulf his economic agenda. Even if Mr Ryan can pull off tax reform, would the bargain have been worth it? The answer is no. Taxes rise and fall. But a great party cannot erase how it acted at a critical moment in the history of the republic.

For decades Republicans have stood for national security and the moral fibre of American leadership. Mr Trump is tearing up those principles before their eyes. It does not matter what liberals think. Likewise for independents, the media and the US diplomatic service. The only people with the power to hold Mr Trump to account are Republicans. They are turning a blind eye. Just a handful of the 290 Republicans in Congress have called for a special prosecutor to investigate Mr Trump. My bet is that, if they were secretly balloted, a majority would support the idea.

It is possible more Republicans will come into the open when Mr Trump selects a new FBI head. If he nominates a stooge, the fallout will be hard to contain. More devastating leaks from the intelligence agencies could also tip the waverers. Until then, however, Republicans are sticking to their Trumpian bargain. They had better hope those tax cuts are worth it.

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Microsoft will make the most of WannaCry

BUSINESS
John Gapper

The WannaCry cyber attack has dented the reputations of organisations including the UK National Health Service, Telefónica of Spain and the US National Security Agency, which may have invented part of the software. For one company, though, it is working out better.

Microsoft, which owns the targeted operating system, would have had to pay millions for comparably useful publicity. True, 200,000 computers running Windows were affected, with hard drives encrypted and demands for bitcoin ransoms on computer screens. But the world's biggest software maker has seized on the advantages.

Not only did Brad Smith, Microsoft's president and chief legal officer, take the opportunity to tell customers to update software, but he took a shot at the NSA and governments with which technology companies have tussled over privacy and security. It was a masterclass in pursuing Microsoft's interests while invoking a noble mission.

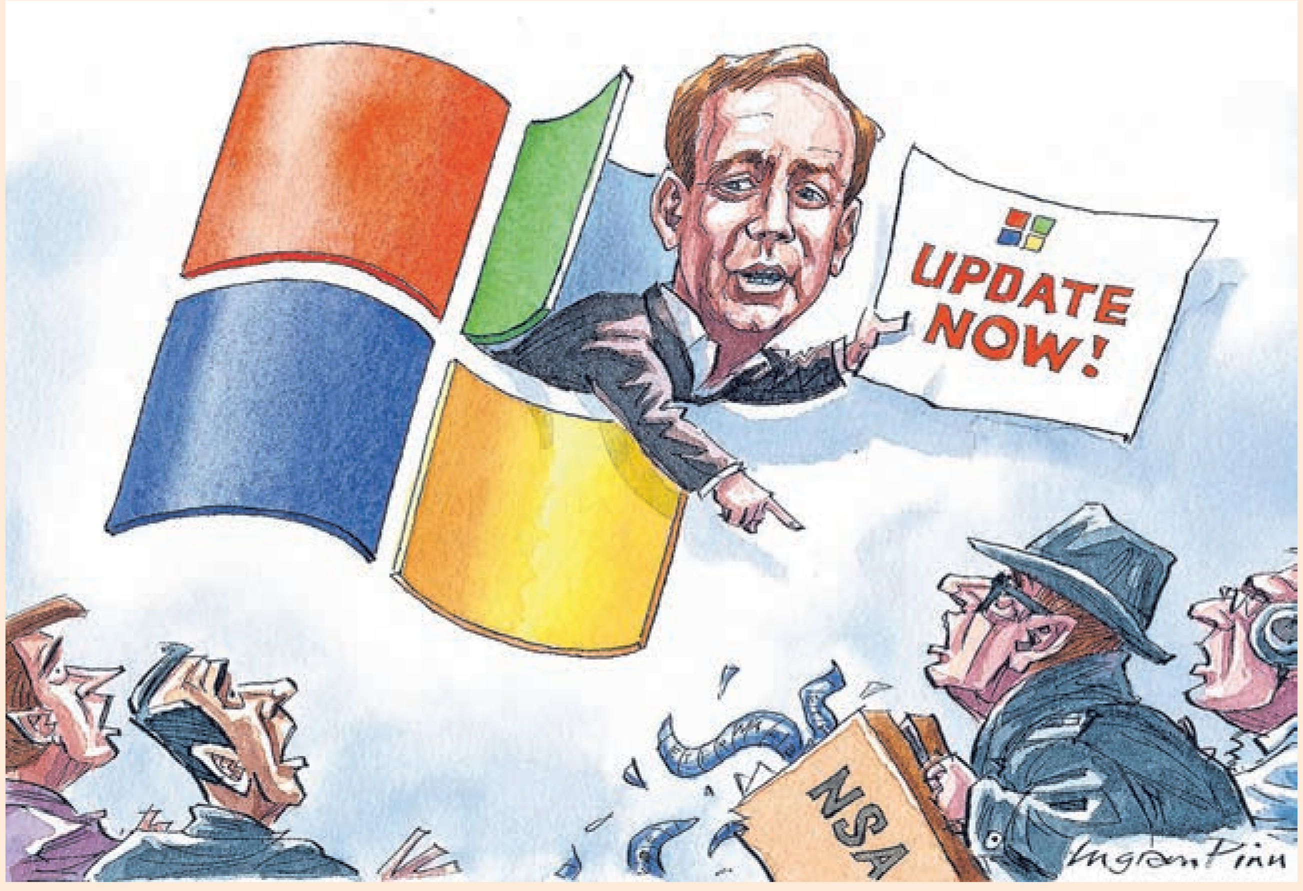
It included a helping of humbug — Windows still sits at the heart of 90 per cent of personal computers, and has proved vulnerable to many kinds of exploits over the years. But there was some truth: the incident shows that governments are keener on attacking enemies than defending their citizens, who are bad at it themselves.

Microsoft's clear advantage is that it was prepared: it had made a patch for the WannaCry vulnerability in March and rolled it out to millions of computers. Many of those caught unaware were still running Windows XP, an ageing version dating back to 2001.

It endured a dark period at that time, when it kept launching editions of Windows, including 98 and XP, which were filled with new features but lacked basic reliability and security. Bill Gates, its founder, had to write his "trustworthy computing" memo in 2002, promising to perform better.

To a large degree, it worked. Any user of a recent version of the operating system, such as Windows 7 or 8, can shield themselves by keeping updated. The internet makes it simpler for hackers to burrow into computers, but also makes them easier to defend — companies can at least patch their machines against any known loopholes.

The remaining challenge is that Windows has a long tail — old versions stay on computers because it would either be too costly or too difficult to upgrade them. It is often the latter: companies run customised software that is not easy to make work with a newer Windows. There is always the temptation to let things remain as they are.



Microsoft needs incentives for the 7 per cent of users still running XP to upgrade to a new version, and for everyone to remain current. That is what the WannaCry attack, and the likelihood that it will only be the first in a string of similar incursions, offers.

It may be arduous to stick with old versions of software, but it is much more painful when machines stop working. "Information technology basics like keeping computers current and patched are a high responsibility for everyone," Mr Smith warned. It is everyone's public duty to carry on refreshing Windows software, in other words.

The second advantage for Microsoft and other technology companies is that it offers a good reason to resist the pressure from governments to loosen security just for officials. The UK government is among those to argue against the unbreakable encryption of data, which keeps messages sent from mobile and desktop devices secret.

> The ransomware attack is a reason to resist pressure from governments to loosen security

Governments often demand that "back doors" should be inserted in software to allow them to read, for example, terrorist communications. But unless they could keep such technology secure and not let it leak, this would also allow others to run amok.

In practice, the NSA is poor at keeping secrets. WannaCry spread fast because it was combined with a worm called EternalBlue that is thought to have been developed by the NSA for its own purposes. This and other tools leaked after an NSA contractor was arrested last year for stealing data.

EternalBlue and other tools apparently developed by an NSA group were sold on the black market by another group called the Shadow Brokers. Gangs can now buy software from government agencies to deploy criminally.

It is a one-sided contest. Fluid groups of determined hackers with accidental support from intelligence agencies take on the technology departments of bureaucratic enterprises, and underfunded public sector bodies.

When hospital operations are cancelled and medical scanners break down, every government has to ask itself questions. Many have assumed that their own agencies can strike others without risk, but citizens are starting to suffer collateral damage.

The chances of the US, Russia, China and others agreeing a deal to limit their own cyber attacks — what Microsoft calls a Digital Geneva Convention — are slim. As James Andrew Lewis of the Center for Strategic and International Studies says drily, that would be "very difficult to negotiate".

But everyone — governments, companies and individuals — needs to do more to protect society. It suits Microsoft, but it also happens to be true.

john.gapper@ft.com

A green revolution would unleash Africa's potential

AFRICA
David Pilling

Beatrice Nkatha's favourite expression is "sorghum is money". Her ramshackle one-storey wooden store is packed from floor to ceiling with bags of seed, fertiliser and pesticide. Staff attend to customers who peer through a tiny hatch at the front.

The cramped store in Mukothima, a sleepy town about 260km north-east of Nairobi, might not seem like much. But it is helping to transform the lives of thousands of farmers in Africa.

Before Ms Nkatha came along, most locals were scratching a subsistence living. They might sell a few bags of maize or some mung beans, but there was no reliable market. The nearest sizeable town of Meru was a bone-jolting 90 minutes along a mud road. Farmers mostly waited for trucks to show up offering to buy their produce — take it or leave it.

When Ms Nkatha, an entrepreneurial 38-year-old, founded Sorghum Pioneer Agencies, all that changed. She became the sole supplier in the area to East African Breweries, a Nairobi-based regional brewer majority owned by Diageo. It wanted sorghum — lots of it — to make low-cost beer.

For her 14,000 farmers that meant a guaranteed income. They also gained knowledge about what strain of sorghum to plant and techniques to maximise yields on their small plots. Ms Nkatha sells them seeds and fertiliser, often on credit, rents them the use of a tractor and thresher, and even advances loans to pay school fees.

Japhet Kibaara is one of her farmers. At 61, his life is just starting. "I used to be dirt poor," he says. Now, he adds, with a little jig, he has a cow and some goats and his wife is "looking good", thanks to the money he spends on her. His eight surviving children — five others died — are in work or education.

Africa is the fastest urbanising continent. But 60 per cent of its people still live in the countryside, some of them using farming techniques little altered for centuries.

Overall, yields have improved. But advances have lagged behind those in Asia. Africa should be an agricultural powerhouse. Instead, it imports roughly $40bn net of food.

It may seem insensitive to talk about cash crops and food exports when, once again, famine is stalking Somalia, South Sudan and parts of Nigeria. But hunger in Africa has more to do with bad policies than bad weather or bad harvests. Above all, Africa needs to think of farming as a business.

> The continent imports a net $40bn of food yet has the resources to be an agricultural force

With properly executed policies, the continent could easily be a net exporter of food. That would bring multiple benefits. It would improve the livelihood of the half a billion people living on the land, encouraging them to have smaller families, which would in turn boost living standards for the next generation. From a macroeconomic standpoint, food-exporting countries could save valuable foreign exchange and begin the process of capital accumulation that launched productivity miracles from Taiwan to South Korea.

How can this be brought about? Solutions vary from region to region, and country to country. But a few things stand out, says Agnes Kalibata, a former agriculture minister of Rwanda, a country that has prioritised agriculture, and now the president of the Alliance for a Green Revolution in Africa, a Nairobi-based non-governmental organisation.

She mentions clearer land tenure rules so that farmers can invest with confidence; more scientific use of specifically selected nutrients to prevent soil degradation; more rational supply of seeds to ensure they suit local soil and climate; better rural links so that farmers can transport surpluses to market (if it rots one year, they won't bother to grow it the next); and more irrigation in a continent where 96 per cent of farmland is rain fed.

Above all, says Ms Kalibata, governments need to treat farming seriously, establishing an environment where farmers have incentives to grow and the private sector to invest. Too many African leaders, she says, see farming as "a backyard, not an opportunity for development".

If the west wants to help, it has no need to buy poor farmers a goat or pay 5 cents more for a bar of chocolate. Better to scrap farming subsidies and allow African farmers to compete in its markets.

As for African leaders, they should drop the fantasy that technology means they can somehow jump from poverty to wealth without attending to their farms. They should spend less time talking about "leapfrogging" and the "fourth industrial revolution". Instead, they should roll up their sleeves, pull on their farming boots and start talking about the revolution that really counts: the green one.

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The brain is the next logical frontier for futurists

SCIENCE
Anjana Ahuja

I can read your mind. I know what you are looking at. You are about to reach the end of the first paragraph. Ta-da! Telepathy, I confess, is not my strong point. But something disconcertingly close to it is emerging from the laboratory. Your perceptions of the outside world arise through brain activity. Scientists in China have managed to reverse-engineer this process, using brain activity to guess what people are looking at. Their algorithm, which analyses functional MRI brain scans collected while volunteers gaze at digits and letters, is able to furnish uncannily clear depictions of the original images.

It has been termed a mind-reading algorithm; a more accurate, though less catchy, description would be a "reconstruction of visual field" algorithm. The work, led by Changde Du at Beijing's Research Centre for Brain-inspired Intelligence, represents an important step for machine learning, because the algorithm knits together information derived from the visual cortex as it builds up the reimagined image.

Functional MRI brain imaging produces notoriously "noisy" scans. Since the brain is three-dimensional, the data emerge in the form of 3D pixels, called voxels. Using deep-learning techniques, Mr Du's algorithm was able to piece those voxels together while stripping out much of the noise. The next step was to turn those reconstructed voxels back into the 2D visual stimuli, such as the letter B or the letter N, that volunteers were viewing while immersed in the fMRI scanner.

> Science is coming remarkably close to being able to access what is inside our heads

The algorithm, called the Deep Generative Multiview Model, was highlighted this month by MIT Technology Review as an emerging technology to watch.

What is true for the visual cortex is also true for our auditory systems: if you hear a song, the auditory part of your brain whirrs into action. Scientists in the US have developed a programme that can turn the associated firing of neurons back into real sounds. Adam Piore, author of a book about bioengineering, has described how software transformed the brain signals emitted by a patient listening to music back into the unmistakable chords of a Pink Floyd track. The research is ultimately intended to give a voice to patients who, perhaps through stroke or accident, have lost the ability to speak.

These technologies are turning thoughts into pictures and sounds. In short, science is coming remarkably close to being able to access what is inside our heads. If such algorithms were to find their way into advertising, we may find ourselves digitally stalked not only by images of hotels and consumer goods that we once clicked on, but also by pictures we glanced at or by songs that we streamed.

This requires access to brain signals, but who would bet against such a future? Millions of people, by wearing fitness bands, sign up to having their physiological signals charted round the clock. For futurists, the brain seems the next logical frontier in bodily measurement.

Elon Musk certainly thinks so. In March, the entrepreneur unveiled a start-up called Neuralink, with the mission of turbocharging the human brain to keep it one step ahead of artificial intelligence. The idea is to create a proper brain-machine interface that allows humans and machines to communicate seamlessly. Brain outputs would be converted immaculately into digital signals, and vice versa. The first faltering steps have been taken elsewhere: computer cursors, and advanced prosthetic limbs, can already be moved by thought alone.

As researchers probe the secrets of our minds, they are bound to discover ways of calculating private information and intentions that we have not disclosed. Let me guess what you're thinking: mind-reading algorithms are treading a very thin line between cool and creepy.

The writer is a science commentator

Lex.

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The Trump trade: executive disorder

The US president "is the CEO of the country" and "can fire anyone he wants" proclaimed the US ambassador to the UN this week. The country's current "CEO" is, however, finding that constitutional norms require a more nuanced view of his power.

Donald Trump's latest controversy, over his sacking of FBI director James Comey, has led to speculation about his future in the Oval Office. The impact of such seismic political events on the markets may be limited, however.

True, the previously quiescent Vix index jumped yesterday. The S&P 500 dropped 1.1 per cent. The US dollar index fell back to levels last seen around the presidential election in November. But volatility remains historically low and the S&P 500 is up 14 per cent since Mr Trump's election.

The "Trump trade", a reflation rotation driven by expectations of fiscal stimulus and relaxed regulation, has withered in recent months. The administration's bungled reform of Obamacare has offered two red flags for investors wedded to the trade.

First, it is doubtful whether the costs of the Affordable Care Act can be reallocated to tax cuts. Second, it has become clear that the administration knows little about how to navigate the legislative thicket required to pass complex tax, or banking regulation, reform. When Gary Cohn, Mr Trump's adviser, unveiled the administration's tax proposals they were sketchily outlined on a single sheet of paper.

The stasis of Barack Obama's latter years means certain corporate policies need to be revisited, including tax inefficiencies and modifications to the Dodd-Frank Act that pertain to smaller, less-risky banks. A smarter administration could have acted, given the consensus in favour of reform.

For now, however, the status quo appears perfectly tolerable for investors. The US economy is essentially at full employment. Inflation is modest, leaving the Fed to keep on its path of steady tightening. Earnings growth for the S&P 500 in the first quarter clocked in at just under 14 per cent, the best for six years, according to FactSet.

However polarising Mr Trump was during the campaign, the country's CEOs and investors have since been happy to endorse his economic agenda.

Oddly, they already appear to have discounted the possibility of his departure. Extraordinary politics, business as usual.

Ubisoft: game changer

Vincent Bolloré, the French corporate raider, does not like to share the controls when a company piques his interest. One possible target is French video game maker Ubisoft, of which his Paris-listed group Vivendi already owns 25 per cent. Shares have rallied 60 per cent since January. Yet, Ubisoft alone deserves credit for this run, not Mr Bolloré's machinations.

Vivendi's interest in Ubisoft makes sense as the company would add to its television, film and advertising portfolio. A more prosaic reason to chase is the structural shift upward in the company's profitability. Gross margins last year jumped more than 3 percentage points to 81.4 per cent as more gamers chose to make their purchases online.

Game companies such as Ubisoft and US rivals Activision and Electronic Arts, increasingly sell digital products instead of physical DVDs. Ubisoft may have made its transition more slowly but it still has time. In fiscal year 2015 it sold over a third of games digitally. Last year, it was half. That should rise to 55 per cent by March 2019.

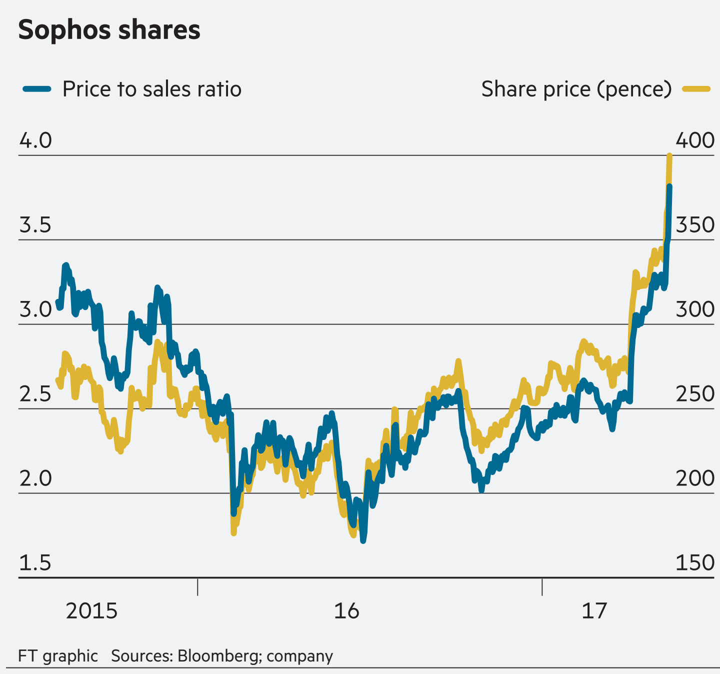
These digital sales help smooth out cash flow, partly by reducing the chance of big shifts in receivables or inventories when new games fail to sell well. It also profits more when customers buy older titles that have been fully depreciated.

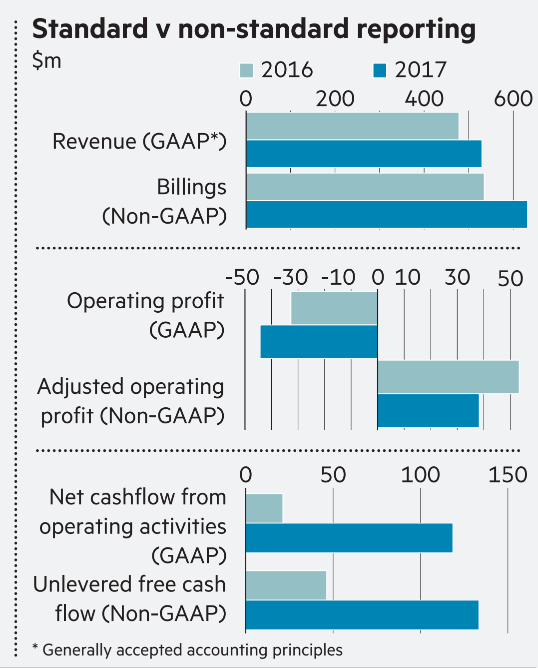
For all this, it is not clear that Ubisoft gets the credit it deserves for this strategy. Vivendi's interest both titillates traders and annoys Ubisoft's executives. There are two dates to watch. On June 6 Vivendi's previously declared moratorium on making a bid for Ubisoft ends. More important, in November some of Vivendi's holding will qualify, under France's Florange law, to gain a boost from double voting rights. That would push Vivendi above the minimum 30 per cent holding for a mandatory bid.

Vivendi may not want to pay up for all of Ubisoft. If this is the case, it should leave the company to play nicely on its own.

Held to ransom

UK tech business Sophos stands to benefit from the WannaCry ransomware outbreak with a boost to sales. On conventional reporting metrics the business is yet to turn a profit. But internal reporting shows a contrasting picture with sales and cash flow sharply higher.





FT graphic Sources: Bloomberg; company

* Generally accepted accounting principles

Legacy IT systems are riddled with vulnerabilities open to cynical attack.

For example, a UK cyber security group just suffered Twitter derision for boasting: "The National Health Service is totally protected with Sophos." A shaky marketing claim in the wake of the WannaCry outbreak, albeit on an outdated web page.

Sophos can console itself with the extra business that the attack will generate. WannaCry's disruptive impact is the kind of marketing that no money can buy. Sales of Sophos's new InterceptX anti-ransomware, which repelled WannaCry, should be brisk. That will help the group hit new medium-term targets: billings of $1bn and unlevered free cash flow of $220m-$240m by 2020.

Those aspirations reflect a couple of things. First, ambition. Billings were just $632m and free cash flow only $133m in the year to March 2017. Sophos's numbers must stick to the unfaltering upward curve of entrepreneurial planning to succeed.

Second, the company favours bespoke performance measures that are more flattering than the standard kind. Sophos made an increased operating loss of $44.3m on sales of $530m last year. Billings include income that the company cannot count on. Unlevered free cash flow has greater solidity, albeit that it excludes exceptionals.

Investors are not inclined to quibble, accepting this is a fast-growing tech company. The shares have risen 64 per cent since Sophos floated in 2015, including a 7 per cent leap yesterday. There is much else shareholders need to take on trust.

Programmers must stay one step ahead of the hackers. Sales via third-party resellers have to stay robust, even as big rivals invest in direct sales drives. A US push needs to pay off.

But the cyber security market is worth $40bn and is growing at 7 per cent a year. Sophos is nicely positioned as a cloud specialist in the under-appreciated middle market. The shares trade in line with those of large competitors relative to sales, a ratio whose very use implies a king's ransom is payable. They will look a lot cheaper if Sophos hits its targets and generates steadily rising profits.

Raiffeisen: eastern promises

What would you expect from a bank operating in eastern Europe? Loan growth, certainly. Fatter net interest margins than in the west. Solid risk control to mitigate for lower credit quality. And payouts to compensate. Austria-based Raiffeisen checks nearly all these boxes. The shares should rise as it moves closer to ticking the last.

Investors last received a dividend in 2013. That was before an ill-timed expansion led to rocketing write-offs and falling profits. A recession in Russia — one-third of profits — and a war in Ukraine did not help. Cue restructuring.

The all-purpose lender revealed yesterday that first-quarter operating profits grew 11 per cent year-on-year, excluding volatile trading income. Core tier one capital is a respectable 12.6 per cent, close to the self-imposed 13 per cent threshold at which payouts are expected to restart. Non-performing loans, while elevated, are in decline. And coverage of NPLs is a robust 74 per cent, higher than banks in Italy or Spain.

As a result, the share price has doubled from lows a year ago. An economic recovery in Russia was one catalyst. Net interest income from its biggest single market has grown over four consecutive quarters while the NPL ratio has nearly halved from 10 per cent. Macro indicators encourage further optimism: Raiffeisen's core markets are expected to grow by about 3 per cent this year.

Still, a cost to income ratio of 63 per cent is too high, well above a target of 50-55 per cent. That is a consequence of being spread too thinly. Raiffeisen operates in 15 countries but has a top-five position by loan volumes in only 11. Outposts in Albania, Kosovo and Bosnia and Herzegovina could be sacrificed to bulk up in the more profitable Czech Republic. Poland has dragged on returns for too long.

Raiffeisen shares were punished last year as the bank chose to build capital. That was sensible enough. But if the lender does not stump up this year, expect investors to be less forgiving.

SSE: sea of troubles

Over the past 10 years, SSE's share price is down 7 per cent. But with dividends reinvested, that turns into a gain of 61 per cent. Payouts matter, so investors should be concerned that SSE's looks threatened.

Dividends at the Scottish utility have risen every year since privatisation. But its commitments are becoming a stretch, squeezed between rising inflation and regulatory interventions.

It targets increases in line with retail price inflation. April's RPI was 3.5 per cent. Applying that rate to the 91.3p full-year dividend announced yesterday suggests a 94.5p payout for the year to March 2018. But SSE also wants to keep dividend cover between 1.2 and 1.4 times. Taking the bottom end of that range suggests adjusted earnings per share of 113p. The consensus forecast is 118p. There is not much room for error.

Free cash flow for the year was £960m against dividends of £669m, which looks comfortable. But that was partly because shareholders took £238m of scrip dividends. If fewer investors take scrip — because the share price is falling, for instance — the cash cost of the dividend rises.

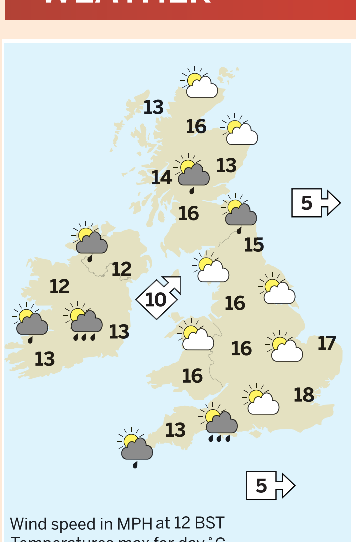
The shares are falling, largely because of the threat of an energy-price cap after the UK's general election. SSE is among the most exposed because nine-tenths of its customers are on high-cost standard variable tariffs. A cap that lopped £100 off annual bills could halve SSE's retail profits.

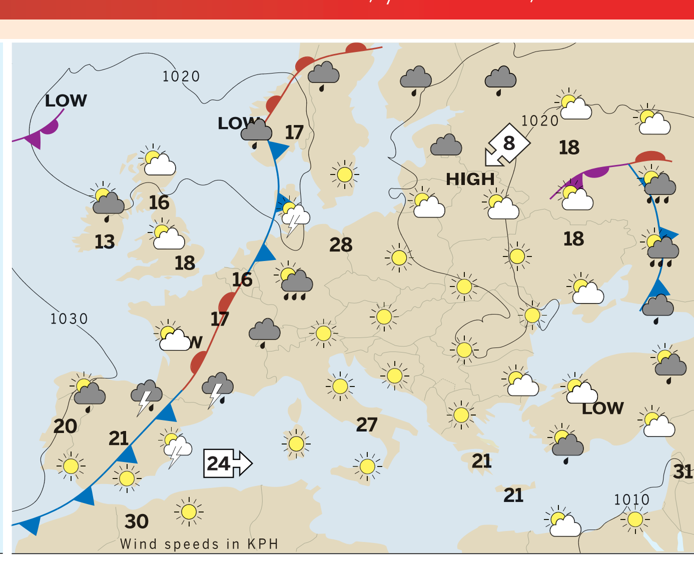
That needs to be seen in context. Transmission and distribution, where regulated returns are index-linked, accounted for half of SSE's operating profit in fiscal 2017. Half its generation output is sold at guaranteed prices under renewable energy schemes. And it has a strong balance sheet; it could afford to let its credit rating drop a notch in order to preserve the payout.

Shares in water utilities and grid operators, which have predictable returns, trade at dividend yields of 3-4 per cent. SSE's of more than 6 per cent, tells you all you need to know about the political risks facing the group.

FT **Lex on the web** For notes on today's breaking stories go to **www.ft.com/lex**

WEATHER





Forecasts by MeteoGroup

Today's temperatures Maximum for day °C & °F Warm front Cold front Occluded front

Amsterdam	Rain	16	61
Athens	Shower	21	70
B'ham	Fair	16	61
Bangkok	Shower	34	93
Barcelona	Fair	23	73
Beijing	Fair	34	93
Belfast	Shower	14	57
Belgrade	Sun	25	77
Berlin	Sun	28	82
Brussels	Rain	17	63
Budapest	Sun	25	77
Buenos Aires	Rain	18	64
Cardiff	Fair	16	61
Chicago	Fair	26	79
Cologne	Rain	20	68
Copenhagen	Sun	20	68
Delhi	Sun	39	102
Doha	Sun	40	104
Dubai	Sun	38	100
Dublin	Shower	14	57
Edinburgh	Shower	16	61
Frankfurt	Shower	25	77
Geneva	Cloudy	21	70
Glasgow	Sun	16	61
Hamburg	Thunder	25	77
Helsinki	Cloudy	14	57
Hong Kong	Fair	27	81
Istanbul	Cloudy	18	64
Jersey	Fair	13	55
Lisbon	Sun	20	68
London	Fair	18	64
Los Angeles	Sun	23	73
Luxembourg	Shower	18	64
Lyon	Fair	25	77
Madrid	Thunder	21	70
Manchester	Fair	15	59
Miami	Cloudy	29	84
Milan	Fair	27	81
Montreal	Shower	28	82
Moscow	Fair	18	64
Mumbai	Sun	34	93
Munich	Sun	26	79
New York	Fair	32	90
Nice	Fair	23	73
Paris	Rain	17	63
Prague	Sun	26	79
Reykjavik	Cloudy	9	48
Rio	Cloudy	23	73
Rome	Sun	25	77
San Francisco	Sun	20	68
Stockholm	Fair	20	68
Strasbourg	Cloudy	24	75
Sydney	Thunder	21	70
Tokyo	Shower	22	72
Toronto	Thunder	28	82
Vancouver	Cloudy	15	59
Vienna	Sun	26	79
Warsaw	Sun	23	73
Washington	Fair	33	91
Zurich	Fair	23	73

CROSSWORD

No. 15,552 Set by NEO

JOTTER PAD

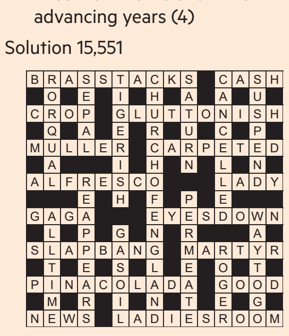
ACROSS

9 Smaller companion dined with two Liberals in place (9)
10 Money one might charge incautious tourist? (5)
11 Worker touring wine town finds small animal (7)
12 See 2
13 On stage (3)
14 Support from Eden with monster taking new form (11)
17 Female in conflict ignoring right judgment (5)
18 Sportsman earning roubles invested with Italian banker (3)
19 Brother killed rook and flightless birds (5)
21 Pig-headed little man seen after work in Hebridean island (11)
23 Blair Atholl plays host to traitor (3)
25 What might be ideal as housing for male couple causes problem (7)
27 Article from Rabelais put in after secrecy (7)
28 Wife abandoning film director becomes intimate (5)
29 City defender's last to leave the airport (2,7)

DOWN

1 Girl is left outside Lincoln for example (6)
2, 12, 4 How one should bat, wild shot threatening to be unleashed? (8,4,3,4)
3 Celebs get trial arranged to cover the crucial point (10)
4 See 2
5 Sentimental Labour leader once an employee of mine (10)
6 Boast superiority in constant quarrel (4)
7 Moral quality bachelor renounced in sex with frenzied brute (6)
8, 24, 22 Totally truthful, they'd go for rewrite with Thessalonians (6,2,3,3,2,4)
15 Sure to corral fish with line dipped in river (10)
16 Currency held to assist trade, or our deal restructured to save pound (10)
17 Well-illuminated student's taken in sustenance and literature (8)
20 Ms Le Pen drenches a Democrat in spicy sauce (8)
22 See 8
24 See 8
26 His mum's Conservative leader embracing Republican (4)
27 Wise man first to show the advancing years (4)

Solution 15,551



Companies & Markets
FINANCIAL TIMES

Active activist Persistence pays off for Paul Singer's Elliott
ANALYSIS, PAGE 15

Dollar / yen	CBOE Vix	Reckitt Benckiser	Gold	10-yr Treasury	ThyssenKrupp	Brent crude	Hikma
1.6%	2.78%	1.3%	$20	9bp	4.12%	1.1%	2.8%
¥111.32	13.61	£76.11	$1,256	2.23%	€22.49	$52.30	£17.17

Facebook fined over WhatsApp deal

Brussels was misled on data sharing ● US social media group's third penalty in a week

MADHUMITA MURGIA — LONDON
ROCHELLE TOPLENSKY — BRUSSELS

The European Commission is poised to fine Facebook for misleading authorities during its takeover of messaging service WhatsApp in 2014, in the latest case of Brussels taking on a Silicon Valley giant.

The commission will not reverse its decision on the merger itself but is expected to levy a large penalty to deter other groups from providing misleading information. It can impose a maximum fine of 1 per cent of Facebook's 2016 turnover, or $276m, although it has not disclosed how much the fine will be.

"Timely and effective review of mergers depends on the accuracy of the information provided by the companies involved," said Margrethe Vestager, EU competition chief, when she announced the investigation in December, charging Facebook with misleading it during the approval process of its $21.8bn takeover of WhatsApp in 2014.

In a "statement of objections" announced at that time, Brussels alleged Facebook had falsely claimed that it was technically impossible to combine user data from Facebook and WhatsApp automatically. Ms Vestager added: "Companies are obliged to give the commission accurate information during merger investigations. They must take this obligation seriously."

WhatsApp announced last summer that it would share user information with its parent company for the first time, so that personal details such as phone numbers and device information could be used to target advertisements and improve products on Facebook.

While a host of Silicon Valley companies, including Google, Amazon, Apple and Microsoft, have found themselves in the EU competition authority's crosshairs, Facebook had largely sidestepped the regulatory battle.

But the punishment, expected to be announced today, will be the social media company's third fine within a week, after regulators in Italy and France levied charges for data protection and privacy violations respectively.

> 'Companies are obliged to give the commission accurate information. They must take this obligation seriously'

Several European data privacy watchdogs have criticised Facebook and appealed to Jan Koum, WhatsApp's co-founder and chief executive, to suspend sharing users' data until the legality of the issue can be resolved.

Although Facebook suspended its collection of WhatsApp data for advertising purposes across Europe from November, regulators in France, Belgium, Spain, Netherlands and Germany have continued to probe its wider activities. In particular, they have taken issue with the way it tracks users across the internet.

Both Facebook and the commission declined to comment.

Short View

Roger Blitz

Until this week, markets studiously ignored White House controversies. What mattered to investors was not who said what to whom in the Oval Office but Donald Trump's ability to deliver on tax and fiscal promises.

Investors are no longer deaf to the din surrounding the presidency. Yesterday, US stocks fell, the volatility index rose and the dollar dropped 1.6 per cent against the yen.

The index tracking the dollar against its peers has dropped to pre-election levels. "Political chaos is bad for the greenback," said analysts at Commerzbank.

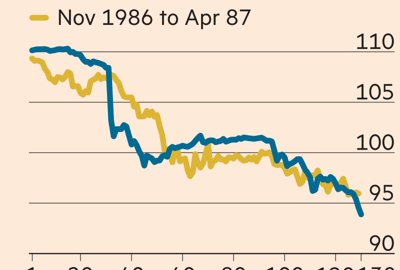
There is a difference, though, between noting such developments and drawing conclusions from them. Washington's febrile atmosphere hangs heavy on markets but so do other factors, such as poor housing data and stronger eurozone numbers. Marc Chandler, currency strategist at Brown Brothers Harriman, cautions that Washington politics can be "a major distraction" at a time of investor worries about the US economy.

There are landmark moments in US history when internal political strife looked like the only thing that mattered to markets. Simon Derrick, currency analyst at BNY Mellon, points out that in the six months after February 1973, when the Senate kicked off the Watergate investigation, the dollar fell 13 per cent. And there was a 9 per cent fall from November 1986 to February 1987, when the Iran-Contra affair was at its height.

Did Watergate and Iran-Contra batter the dollar? The evidence is mixed. Watergate unravelled in the teeth of a bear market and a looming oil crisis but the period also saw aggressive increases in Fed funds rates. Iran-Contra played out at a time of rising interest rates and the signing of the Louvre Accord, designed to stabilise the dollar.

The conclusion? Lots of stuff happens at the same time. As Mr Derrick suggests, the only safe inference is that these dollar declines "coincided" with Watergate and Iran-Contra. On this occasion, it seems best to go with investment instinct. How does the investment climate feel? Tax and fiscal policies were already stalling, global growth remains on track, the Fed is poised to raise rates and oil is recovering. The White House may be in turmoil but investors should be led by the economy rather than politics.

Dollar index



Source: Thomson Reuters Datastream

The index tracking the dollar against peers is down to pre-election levels. However, investors should still be led by the economy.

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Ubisoft off target
French games group cuts sales forecast

Shares in Ubisoft fell yesterday after the French video-games maker, which is fighting to stay independent of Vivendi, cut its sales forecast for the fiscal year ending March 2019, **writes Harriet Agnew.**

The maker of *Assassin's Creed*, whose fans are pictured at a Paris games show, and *Just Dance* reported total annual sales of €1.46bn in the 12 months ending March 2017, at the bottom end of its target range. It cut its sales forecast for the fiscal year ending March 2019 from €2.2bn to €2.1bn.

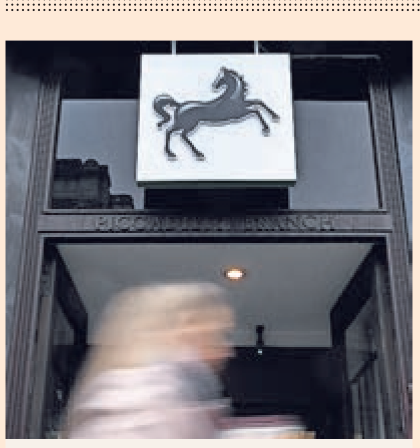
In December Vivendi, billionaire Vincent Bolloré's media conglomerate, increased its stake from 24 per cent to 25.15 per cent, a move the games maker described as "another indication that Bolloré and Vivendi are continuing an ill-advised and value-destructive approach of trying to take creeping control of companies like Ubisoft".

Alain Martinez, chief financial officer, said: "We still consider that there is a lot of value to create at Ubisoft and we still consider that our independence is the best guarantee to create this value."

Shares in Ubisoft fell 7.9 per cent before recovering some of those losses to close 2.5 per cent lower at €48.74.

Lex page 12

Chesnot/Getty Images



'More to do' at Lloyds as UK sells remaining stake

The UK government has sold its remaining stake in Lloyds Banking Group, nearly a decade after its £20.3bn taxpayer-backed rescue. But António Horta-Osório, who took over as chief executive in 2011, has said there is 'more to do' at the bank.

Analysis ▶ PAGE 17

SSE posts bigger profits on higher bills as pressure builds for energy price cap

NATHALIE THOMAS
ENERGY CORRESPONDENT

SSE has reported increased profits from supplying energy to UK homes at a time when large utility groups are under the political spotlight.

The FTSE 100 company raised household energy prices 6.9 per cent in April, blaming costs associated with government policies such as support for low-carbon electricity generation.

Despite those costs and losing almost 200,000 customers as the big suppliers come under pressure from new market entrants, SSE said yesterday its UK household supply business had recorded a "small overall increase" in adjusted operating profit in the year to March 31. It said it had been helped by lower wholesale energy costs and customers using slightly more power.

SSE did not detail the increase but its operating profit margin per household buying electricity and gas rose from 6.2 per cent the previous year to 6.9 per cent.

Overall SSE, which also has a large power-generation business and manages local networks in England and Scotland, made a £1.8bn profit before tax, up from £593.3m the previous year when its results were affected by asset writedowns. Adjusted pre-tax profit, which strips out such factors, rose 2.1 per cent to £1.5bn.

Both the Conservative and Labour parties have promised to cap household energy bills if they win next month's general election. SSE said 70 per cent of its 6.76m domestic gas and electricity accounts would be affected by any cap on standard variable tariffs.

It told analysts that a cap reducing customer bills by £100 a year, as mooted by the Tories, could have a £200m impact on "income coming into the business". But it sought to ease investor concern by saying that there were "a lot of things we can look at" to help mitigate any negative effect from government intervention.

Alistair Phillips-Davies, SSE's chief executive, said he was "firmly of the view we need competition, not a [price] cap".

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Companies / Sectors / People

Technology

Qualcomm sues Apple's top suppliers

Taiwanese groups caught up in chipmaker's royalties fight with iPhone maker

TIM BRADSHAW — SAN FRANCISCO

Qualcomm is suing four of Apple's top suppliers for refusing to pay royalties at the iPhone maker's request, adding a new twist to the two companies' already complex legal battle.

The latest round of lawsuits drags Foxconn, Pegatron, Wistron and Compal into the deepening row between Qualcomm and Apple over the value of the chipmaker's intellectual property.

Qualcomm's latest complaint alleges that the four Taiwanese manufacturers breached longstanding licensing deals and seeks unspecified damages.

"It is unfortunate that we must take this action against these long-time licensees to enforce our agreements, but we cannot allow these manufacturers and Apple to use our valuable intellectual property without paying the fair and reasonable royalties to which they have agreed," said Don Rosenberg, Qualcomm's general counsel.

Qualcomm warned investors last month that it faced a shortfall in sales and profits because Apple had stopped paying an amount equivalent to Qualcomm's previous share of royalties to the manufacturers that produce the iPhone and iPad. Those contract manufacturers in turn had stopped paying Qualcomm by the same amount.

Apple argues that Qualcomm has overcharged it by "billions of dollars" over several years and has demanded "excessive royalties" in relation to its wireless communications patents. The dispute began in January when Apple sued Qualcomm for $1bn, accusing it of abusing its monopoly position — claims the chipmaker dismissed as "baseless".

Because Qualcomm's licensing deals relating to the iPhone and iPad are not with Apple but with the contract manufacturers that produce the devices, it cannot sue Apple directly for withholding those royalties.

Qualcomm alleges Apple "orchestrated" the contract manufacturers' actions against it. "In addition to withholding payments from defendants for Qualcomm royalties, Apple instructed defendants to withhold corresponding royalty payments from Qualcomm," the filing reads. "Moreover, Apple has agreed to indemnify defendants for any damages they may incur as a result of breaching their agreements with Qualcomm, further demonstrating Apple's strong-arm tactics."

'We cannot allow [them] to use our valuable intellectual property without paying the fair and reasonable royalties'

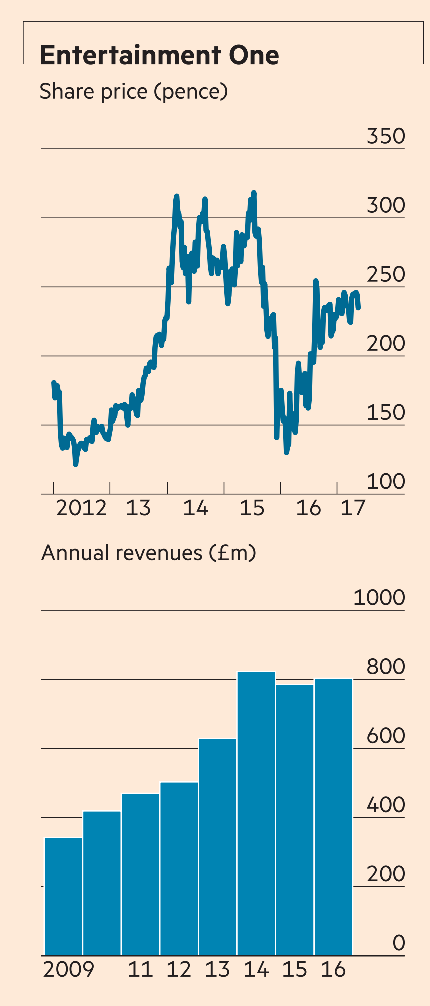
Apple referred to a statement it had made last month, saying it would suspend royalty payments "until the correct amount can be determined by the court". That process could take years.

"We've been trying to reach a licensing agreement with Qualcomm for more than five years but they have refused to negotiate fair terms," Apple said. "Qualcomm's demands are unreasonable and they have been charging higher rates based on our innovation, not their own."

Foxconn said it was aware of the dispute but had "not received any formal communications related to this lawsuit". The other manufacturers did not respond to requests for comment.

Media. Intellectual property

Entertainment One inks film joint venture



The Peppa Pig owner's deal with Brad Weston is part of its drive to create original content

MATTHEW GARRAHAN — NEW YORK

Entertainment One, the UK-listed media group that owns Peppa Pig, has formed a joint venture with Brad Weston, who ran the company behind the Oscar-winning film *The Revenant*, as part of a drive to produce more original films.

London-listed eOne is an investor and distributor of film and television programming but is pushing to own more intellectual property. The deal with Mr Weston, the former chief executive of Arnon Milchan's New Regency group, "will create owned IP for the global marketplace," said Darren Throop, eOne's chief executive, in an interview.

The focus on creating content that eOne owns globally is a reflection of a changed landscape, where Netflix and Amazon increasingly seek global distribution rights for the content they acquire. "The delivery platforms are globalising," Mr Throop said.

"We want to attach ourselves to properties where we own global rights. When we come to the table with these buyers, we have to have high-quality programming but we also need rights that transcend borders."

Last year, eOne rejected a £1bn takeover bid from ITV "in a nanosecond," according to Mr Throop. It has distributed films including *Arrival*, *La La Land* and *Jackie* in markets such as Canada and the UK. But it is also making its own titles: the group has a minority stake in Steven Spielberg's Amblin Partners and a joint venture deal with The Mark Gordon Company, which has produced film and TV programming ranging from *Grey's Anatomy* to *Saving Private Ryan*.

eOne operates a family division alongside its film, TV and music businesses. The family division includes hit cartoon series Peppa Pig and PJ Masks, and a licensing business for consumer products featuring its most popular characters. "We own the global rights for almost everything we do . . . the one exception is our film business, which has historically been a distribution model," Mr Throop said, adding the company was becoming "more production focused" and "can probably fill 15-20 slots a year with films made by companies that we partially own or majority own".

'We own the global rights for almost everything we do . . . the one exception is our film business'

eOne shares have hovered around £2.30 and £2.40 for several months giving the group a market value of £1.02bn. Mr Throop expressed frustration at that performance, pointing to a recent assessment of the company's library, which was independently valued at $1.5bn.

Most of eOne's direct competitors, such as Studio Canal and Lions Gate Entertainment are private or listed in the US, and Mr Throop said he believes that has weighed on the share price.

"There are no media specialists; they are generalists [in the UK]," he said, pointing to a recent trading update which said profits for the year would be in line with consensus estimates. "The stock before we did the update was around £2.30 and £2.40 and after we did the update it was the same."

Malcolm Morgan, a Peel Hunt analyst who covers eOne, said there were "differences in interpretation" for cash flow and debt between UK and US investors in valuing media stocks. "It makes for difficulties in telling an equity story consistently in the UK. But is eOne great at its job? Absolutely. There is increasing demand for original creative output and there are more people with more appetite for content on more devices".

Oscar winners: director Alejandro G. Iñárritu, left, and Leonardo DiCaprio on the set of 'The Revenant'. Brad Weston ran the company behind the film

eOne was originally listed as an income trust in Canada before switching to Aim, the UK's junior market in 2007. It struck gold that year with the £49m acquisition of Contender Entertainment, maker of Peppa Pig.

"I thought it was expensive at the time but it was the best deal we've ever done," Mr Throop said. Annual sales of Peppa Pig licensed products exploded, eventually hitting $1bn.

Since then eOne has graduated to the main market and is a member of the FTSE 250 index. While Mr Throop has not ruled out shifting the listing to the US or a reverse takeover of a listed US entity, it is unlikely such a move would happen soon. He noted exchange traded funds that currently hold the shares would be forced to sell in the event of a UK delisting "which would have downward impact on our stock price".

"We're trying to educate and bring on more North American shareholders," he said. For the time being eOne and its famous pink pig are not giving up on the UK just yet.

INSIDE BUSINESS

EUROPE

Richard Milne

Norway's oil fund needs a governance shake-up for returns to flow in

Not many sovereign wealth funds are owned by democracies. Indeed, out of the top 15 by assets, only Norway's oil fund, the world's largest SWF, is based in a fully fledged democracy.

That reality is starting to create a host of challenges for the $950bn fund. Arguably, the biggest headache has little to do with the issues that normally catch the headlines: its investment strategy, and discussions over whether it should invest more of its holdings in shares, and whether it should be putting any money into infrastructure.

Instead, the potential Achilles heel of the gigantic Norwegian investor is governance. "There is a reason you don't find many sovereign wealth funds in democracies. The governance is a real challenge," says a senior Norwegian official.

Currently, the oil fund is managed by Norges Bank Investment Management, which sits inside the country's central bank and is overseen by the bank's board, which also deals with monetary policy. Asset allocation policy is mostly set by 16 bureaucrats inside the finance ministry, approved by politicians with little financial experience.

That leaves one of the world's largest asset managers — it owns an average of 1.3 per cent of every listed company globally — under the supervision of a small group of Norwegians, almost none of whom have worked as investors.

The results have not been reassuring. Recently the fund has struggled to deliver the 4 per cent annual return expected of it, and its performance lags behind Singapore's Temasek and the Canada Pension Plan Investment Board.

No wonder a government-commissioned committee — led by one of the system's founders, Svein Gjedrem, a former central bank governor — is looking at potential change in a report to be delivered next month.

Another founder of the system, Knut Kjaer, who served as the fund's chief executive from its start in 1997 until 2008, has already made a judgment: he believes change is needed.

"Governance has, over the years, become a more urgent issue. There should be a much more professional board," he says in an interview with the Financial Times.

The current governance structure had advantages early on when the fund needed legitimacy. Mr Kjaer says the culture and ethics of the central bank were vital in the early days, and the system helped protect the fund when markets — and its assets — plunged in 2008.

Asset allocation is mostly set by bureaucrats and approved by politicians

But the set-up now looks outdated. It is difficult at the best of times to control such a large fund. But it is doubly tough for the board of Norges Bank to have to do it while also running the country's monetary policy.

"If one were to start all over again it's not the obvious choice . . . Monetary policy and investment have two completely different skillsets," says Mr Kjaer. He notes that central bankers often have an academic background, focus on the macroeconomy, and take a few big decisions each year. By contrast, professional investors deal in ongoing risk-taking and have a more financial focus.

There is some support within Norway's current centre-right government for taking the fund's board out of the central bank and bringing in more financial expertise. But it is not clear if the committee will recommend more sweeping changes. No one knows if the group will call for taking asset-allocation decisions — whether to invest more in equities than bonds, whether to go into new asset classes — away from the bureaucrats.

"It is a pretty crazy situation that the biggest decisions about the fund — which at any normal investor would be taken by the top executives — are done behind closed doors by some civil servants," says one recently departed manager from the fund.

Some signs of change are afoot. A much-anticipated decision to allow the fund to invest in infrastructure was postponed so that the governance situation could be resolved first, according to people briefed on the matter.

Few observers think the fund's returns will improve in the immediate future and Mr Kjaer argues that governance should be toughened up, irrespective of other concerns: "You should never go for a more advanced investment strategy than your governance allows."

If Norway is serious about showing that a democracy can handle a sovereign wealth fund — let alone one as big as the oil fund — it needs to improve its governance, and fast.

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Automobiles

Ford to slash 1,400 jobs as pressures mount

PATTI WALDMEIR — CHICAGO

Ford will cut 1,400 jobs, the Detroit automaker said yesterday, as chief executive Mark Fields faces pressure to improve sagging profits and boost its share price.

The move to cut about 10 per cent of Ford's salaried workforce in North America and Asia by the end of September is part of a previously announced plan to trim costs by $3bn this year.

Staff in areas that support new technologies such as electrification and autonomous vehicles will not be affected. The cuts will be made by voluntary means such as early retirement, the company said in a statement.

News of job cuts at Ford risks provoking a confrontation with President Donald Trump, who has often boasted of helping create or protect jobs in the US auto industry. But the cuts do not affect the Ford shop floor, where Mr Trump's political support is strongest.

Ford was singled out for criticism by the president on the campaign trail, but has since tried to placate him by cancelling a planned $1.6bn factory in Mexico and announcing new jobs in the US.

Rival automaker General Motors has cut more than 3,000 jobs in Michigan and Ohio in the past year as US automakers prepare for the first downturn in US vehicle sales since the great recession. Auto sales are expected to fall this year to about 17m from last year's record 17.55m.

"I suspect this is just the beginning. Others will have to tighten belts as well. Toyota, Nissan, Honda, the Europeans — all will have to focus on costs while they still invest in the future," said Michelle Krebs of Autotrader.com.

Ford's management has come under pressure in recent weeks, including at last week's annual meeting, as shareholders protest the flagging share price which has fallen sharply in the nearly three years since Mr Fields took over.

It is unclear whether news of the job cuts will do much for Ford's share price, which was trading 1 per cent lower soon after the announcement. Ford's share price weakness has allowed Tesla, the California electric car upstart, to surpass it in market capitalisation.

Ford is under pressure to protect profits in its traditional business while investing in new technologies. Its first-quarter earnings fell sharply year on year, with pre-tax profit in the automotive segment dropping $1.5bn to $2bn.

Automobiles

VW chief faces market manipulation probe

PATRICK MCGEE — FRANKFURT

German prosecutors have confirmed they are investigating Matthias Müller, the chief executive of Volkswagen, over alleged market manipulation relating to the diesel emissions scandal.

This is the first time Mr Müller, installed after Martin Winterkorn stepped down, has been targeted in a probe related to the 2015 scandal in which VW installed illegal software to bypass emissions tests in up to 11m cars.

The investigation relates to whether top executives should have informed investors earlier about the test-cheating software.

VW admitted the cheating to US regulators on September 3 2015, but knowledge of the scandal became public only on September 18 when the regulators issued a "notice of violation" that mentioned a possible fine of €18bn.

Investigators in Braunschweig, near VW's Wolfsburg headquarters, have been conducting a market manipulation probe that includes Mr Winterkorn and Hans-Dieter Pötsch, the chairman and former finance chief.

The latest case is essentially identical except that it centres on Porsche SE, the Stuttgart-headquartered parent company of VW, which is listed separately.

Mr Müller was a board member of Porsche SE, in charge of strategy and corporate development, from 2010-15. He was also chief executive of Porsche AG, the sports car maker owned by VW.

Prosecutors in Stuttgart said the probe was opened in February and was still in a preliminary stage. "Listed companies have an obligation to publish information immediately . . . if it is likely to have a significant impact on the market price of securities," they said.

The probe was opened after BaFin, the German securities regulator, filed a criminal complaint against Porsche SE last summer.

Porsche SE said in a statement that it considered the allegations "unfounded" and had properly fulfilled its disclosure obligations.

VW confirmed yesterday it had received a questionnaire from Stuttgart prosecutors last year, completed and returned it, but had received no response. When word of the investigation was leaked to German media last week, it was news to the carmaker.

A person close to VW said the only surprise was why this took so long. "I expected it last year," this person said.

COMPANIES

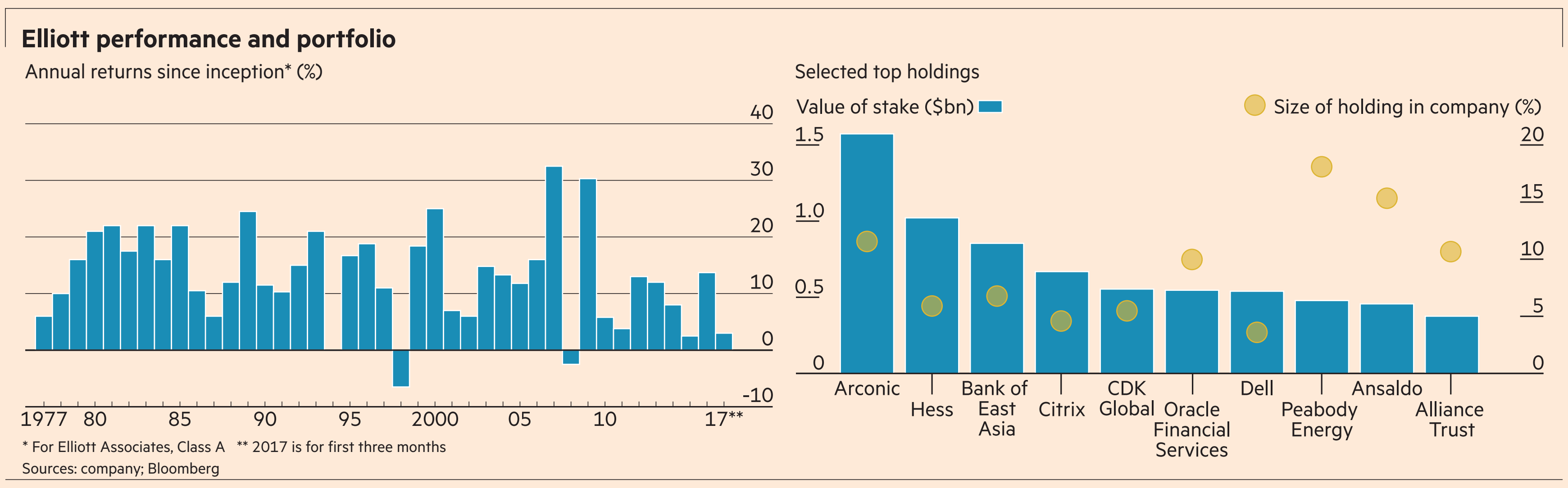
Elliott brings 'prosecutorial' tactics to activism

Hedge fund's sometimes belligerent statements and bellicose public language mask a careful and dogged strategy

LINDSAY FORTADO — NEW YORK

Angle of attack

Firm grip: every investment decision still goes through Elliott co-chief executive Jon Pollock, above, and the fund's founder Paul Singer — New York Times/Redux/Eyevine



* For Elliott Associates, Class A ** 2017 is for first three months
Sources: company; Bloomberg

If Hitachi, the Japanese conglomerate, thought it would be a routine matter to buy out the remaining investors in an Italian rail signalling equipment company where it had just become the largest shareholder, then it did not reckon on Paul Singer's Elliott Management.

For the past two years, Hitachi's planned takeover of Ansaldo STS has been under a multi-pronged legal attack, orchestrated by Elliott, that has included complaints to the Italian markets regulator, a complaint to the country's auditing board and a lawsuit.

For Elliott, this is business as usual. The $32.8bn fund and its billionaire Republican donor founder are an anomaly among activist hedge funds because of their readiness for a long fight and the broad legal tools they employ to win.

Elliott is battling on multiple fronts. It is demanding, among other things, that BHP Billiton spin off its US petroleum business, Akzo Nobel accept a takeover offer and Samsung break itself up. Last week, it disclosed a stake in Gigamon, a network-monitoring company.

The string of victories includes claiming back more for holders of Argentine sovereign debt or pushing Klaus Kleinfeld out as chief executive of metals group Arconic. But Elliott's belligerent legal strategies and bellicose public language mask a patient strategising that reflects Mr Singer's early career as a lawyer. One rival activist calls it a "prosecutorial" approach; Mr Singer has called it "using every tool in the tool chest".

Another anomaly: as other big-name activists falter and the sector faces criticism for crowding into the same trades, Mr Singer's fund still has investors clamouring to pay the full rate. The industry standard is a 2 per cent management fee and a 20 per cent performance fee. When Elliott briefly opened its main fund to accept new investments earlier this month, it raised $5bn in 24 hours.

"Raising that much money that quick is really hard, especially in a time when people are taking money away from the activists," said Don Steinbrugge, managing partner at Agecroft Partners, a hedge fund consultancy. "You have all this competition and the low-hanging fruit is gone, especially if you're a big activist."

The consistency of the returns explains why. Elliott's main fund was up 3.1 per cent in the first quarter, and returned 13.1 per cent last year. In its 40-year history, Elliott has had only 12 losing quarters, and two down years. In two years — 2007 and 2009 — the fund returned more than 30 per cent.

As a multi-strategy fund, Elliott remains more versatile than its competitors, investing in a range of credit, commodities, property and arbitrage strategies when equity opportunities are thin. Its long background in distressed debt investing means it instinctively takes a "what's the worst that can happen" approach that has limited its downside.

The 72-year-old Mr Singer, who founded Elliott 40 years ago, has shown signs that he is preparing for an eventual succession by bolstering the management ranks, but every investment decision still goes through him and his co-chief executive, Jon Pollock.

In a rare interview, Mr Pollock said that, whatever the asset class in which the fund is investing, "there is an activist thread that runs through the entire business", and added: "Patience and persistence are certainly hallmarks at Elliott."

Most famously, Elliott spent 15 years battling Argentina in court over its defaulted debt, leading a band of creditors that were the last holdouts to settle. The final pay-off to the New York-based hedge fund was $2.4bn. With US car parts company Delphi, the fund pocketed nearly $1bn after years as a creditor by buying it out of bankruptcy.

The soft-spoken, bearded Mr Pollock favours button-down shirts with the sleeves rolled up, a tattoo on his wrist visible under his watch. Mr Singer's long-time deputy, he was promoted to co-chief executive in late 2015. Earlier this month, the fund named Jesse Cohn and Steve Cohen equity partners, bringing the partnership to seven people.

Mr Cohn, who oversees Elliott's activist positions in US companies and runs Evergreen Coast Capital, its private equity arm, became the firm's youngest-ever partner at 36. He is a macro specialist who has spent 14 years at the fund.

Mr Pollock chafes at the accusation of short-termism that is sometimes levelled at activists. Elliott will often be invested in a trade for five years, and it never seeks unnecessary public fights, he says. "We have no interest in having our interactions with a company become public just for the sake of it. It usually becomes public after a series of conversations."

Yet the fund's style of activism has been criticised by its targets as "vulture" capital and has come under fire even from other activists.

Jeff Ubben, chief executive of ValueAct, an activist fund, said Mr Kleinfeld's ouster was an example of companies being "bullied" by Elliott. Mr Kleinfeld was forced out not because of Elliott's criticisms of his record at Arconic but because of what his board called "poor judgment" in sending a letter to an official at Elliott that the fund said "read as a threat to intimidate or extort".

"It's prosecutorial in nature," said Mr Ubben, speaking at the Milken Conference in Los Angeles earlier this month. "You hear the Elliott side, but you don't ever hear the management or board side because they're the defence, and the defence doesn't talk . . . And then when you do strike back, you're fired."

Market complacency
Distressed debt hires anticipate downturn

Elliott Management, the activist hedge fund that spent 15 years battling Argentina over its defaulted debt, has hired new distressed credit specialists to position itself for a market downturn and a possible wave of restructurings.

The $32.8bn multi-strategy fund led by Paul Singer, which recently raised another $5bn of investor money, launched the recruitment drive as its founder grew concerned that markets were, as he wrote this month, "akin to a coiled spring".

Mr Singer's co-chief executive at Elliott, Jon Pollock, said that the fund had taken on recruits in both junior and senior positions.

"A resurgence in distressed situations coincides with the business cycle," Mr Pollock said.

"We are well-positioned for any opportunities that we may see in credit or as a result of a substantial bankruptcy."

Hires include Jeff Rosenbaum, a former director in the credit group at York Capital Management, who joined Elliott last October.

"In a time when some really talented people are available, we have been able to make some hires in stressed and distressed credit," Mr Pollock said.

In a letter to investors this month, explaining why they were opening to new capital, Mr Singer said he believed "that there has never been a larger (and more undeserved) spirit of financial market complacency in our experience".

He said they were looking to raise money now, before there was a "financial market meltdown" in which its potential investors might be unable to deploy more to hedge funds such as Elliott.

While Mr Pollock said he could not predict when a downturn would come, the fund's focus on activism in the equity markets could give way to credit investing when it does.

Elliott, now in its 40th year, has made its signature move buying distressed debt in faltering countries and companies, then pursuing them for years in the courts to recoup as much as they can.

But it is the sovereign debt restructuring of Argentina, settled last year, that Elliott may be associated with most.

Tactics included a failed attempt by the hedge fund to seize the ARA Libertad, a training ship owned by the Argentine navy and crewed by more than 200 sailors, off the coast of Ghana in 2012. *Lindsay Fortado*

Retail

P&G executive to head Ralph Lauren

MAMTA BADKAR — NEW YORK

Ralph Lauren, the retailer known for its preppy Americana, has reached outside of the fashion industry and named Procter & Gamble executive Patrice Louvet as chief executive after his predecessor clashed with the company's founder.

Mr Louvet, 52, is joining the company as it struggles with a sales slump that is now in its third year. He most recently served as global beauty president at P&G and had also previously run its prestige business, where he oversaw a portfolio of high-end beauty products that included the Gucci and Hugo Boss brands before they were sold to Coty for $12.5bn in 2015.

The news comes after Ralph Lauren said in February that Stefan Larsson would depart as chief executive after less than two years at the company. Mr Larsson had engineered a turnaround at Old Navy, Gap's largest division and helped H&M become a leader in "fast fashion" but parted ways with Ralph Lauren after creative differences with the eponymous founder.

Mr Lauren praised the incoming chief's "collaborative working style" and said that "finding the right partner to work with me to take us forward in our evolution has been my primary focus over the last several months".

Mr Louvet will receive a sign-on award worth $12.6m and will be eligible for an annual salary and bonuses of up to $6.9m, plus equity awards of $7.5m a year, the company said in a filing with the US Securities and Exchange Commission.

Ralph Lauren began as a purveyor of ties more than 50 years ago and swelled to a $17.4bn company by market value at its peak in 2013, although its value has fallen by nearly two-thirds since then. Rising competition from online retailers and fast fashion names such as Zara and H&M, and the strength in the US dollar, have led to comparable sales declines for nine consecutive quarters.

"I think anyone coming to the seat needs to figure out how to work within the new rules of retail," said Simeon Siegel, an analyst at Nomura's Instinet. "If sales are proving hard to come by, companies need to generate the most profits out of [the sales] they do have."

Ralph Lauren shares were down as much as 3.3 per cent before trimming their losses to about 0.7 per cent by mid-morning. That stands in contrast to the reaction when Mr Larsson was appointed in September 2015, when the shares jumped 14 per cent. The company is scheduled to report its fiscal fourth-quarter results today.

Fashion outsider: Patrice Louvet will receive a $12.6m sign-on fee when he joins struggling Ralph Lauren

COMPANIES

Technology

Cyber security group valued at $1bn after global hack

CrowdStrike raises $100m in funding as WannaCry attack boosts demand

HANNAH KUCHLER — SAN FRANCISCO

CrowdStrike has raised $100m and is now valued at more than $1bn, as the private cyber security start-up anticipates a surge in demand in the wake of the WannaCry attack that ripped through organisations around the world.

The company became famous last year when it revealed the Democratic National Convention had been hit by Russian hackers, in an attack that rocked the US presidential election.

George Kurtz, CrowdStrike co-founder and chief executive, said the company had received a surge in requests for trials over the weekend as the WannaCry ransomware infected organisations from the UK's National Health Service to FedEx.

CrowdStrike was able to prevent attacks on its customers because it uses machine learning to recognise threats, rather than just trying to match attacks with a list of already known viruses, like older versions of anti-virus do.

Shares in public cyber security stocks soared on Monday as analysts predicted that corporate boards, afraid of becoming a victim of a headline-hitting attack, would increase spending on the industry's products. The HACK exchange-traded fund, which tracks cyber security companies, had its best day since just after the US election.

Accel, a Silicon Valley venture capital fund and existing investor in CrowdStrike, led the $100m round, with contributions from new investors March Capital Partners and Telstra, the Australian telecoms company. Telstra is the third customer of CrowdStrike to become an investor after Alphabet and Rackspace, the web hosting company.

CrowdStrike will use the money to expand geographically and improve its platform in a bid to become the Salesforce of cyber security.

With more than 40bn security incidents recorded by the cloud-based platform every day, it believes its vast trove of threat data will make it hard for competitors to keep up.

More than 10 per cent of Fortune 1000 companies use CrowdStrike's technology and services. Sales of subscriptions for its new endpoint protection platform soared more than 400 per cent year on year, as did the number of transactions worth $1m or more.

Mr Kurtz said the company had benefited from identifying the hackers behind the DNC data breach. "I certainly think it raised our profile, solving a problem for a real customer," he said.

See Lex and Markets

Technology. Ransomware

Microsoft held back free patch to slow WannaCry attack

Software giant criticised over high cost quoted to support older versions of Windows

RICHARD WATERS AND HANNAH KUCHLER — SAN FRANCISCO

Microsoft held back from distributing a free repair for old versions of its software that could have slowed last week's devastating ransomware attack, charging some customers $1,000 a year per device for protection against such threats.

The high price highlights the quandary the world's biggest software company faces as it tries to force customers to move to newer and more secure software, while at the same time earning a profit from the army of engineers it employs on security issues.

Meanwhile, Microsoft also recently began charging customers more for extra security in the top-of-the-line version of Windows 10. The split pricing marks the first time the company has treated the highest level of security as an add-on feature of its software, drawing criticism that it is has left other versions of Windows more open to attack.

"It should be included in all Windows — it shouldn't be that you have to pay more for a more secure version of Windows," says Michael Cherry, an analyst at Directions on Microsoft, an independent research firm.

Microsoft's approach to securing Windows has come under scrutiny since the WannaCry computer worm spread rapidly around the world on Friday.

The company issued a free patch in March that would have protected computers running recent versions of Windows from the malware. But users of older software, such as Windows XP, have to pay hefty fees for so-called "custom" support. The cost went from $200 per device in 2014, when regular support for XP ended, to $400 the following year. It jumped to $1,000 after that, according to one person who had seen a pricing schedule that Microsoft sent to one customer, with a minimum payment of $750,000 and a ceiling of $25m.

Microsoft cut special deals for government users in the first year, but the high costs led many — including the UK's National Health Service — to abandon the special support after one year, leaving them exposed to last week's attack.

The company made the expensive patch for old software such as Windows XP free of charge at around midnight local time on Friday, though that was too late to contain the WannaCry outbreak.

A former US government official said that while Microsoft had significantly improved its security over the past 10-15 years, it could have acted to protect Windows XP before the ransomware crisis. "They could have done it from the beginning if they were going to be a better corporate citizen," the person said.

Mr Cherry said the company had advance warning in March about the risk of an attack, putting it in position to head off the danger. "Microsoft knew about this vulnerability — how widely it could get exploited," he said.

Microsoft would not comment on its high custom-support prices, or whether it would change its policies to make sure more computer users were protected before another devastating attack.

Most security experts defended Microsoft's fees. "They're trying to discourage people from using Windows XP so they're jacking up the cost," said Avivah Litan, an analyst at Gartner.

But Roger Kay, an analyst at Endpoint Technologies, a medical information consulting service, said the fees exposed Microsoft to the same criticism of price-gouging that drugmakers face when they charge high prices for life-saving drugs. He said using the WannaCry crisis to encourage customers to move on to newer software was in part self-serving, since Microsoft's business model has shifted and it makes more from its newer software than it did when it sold XP.

Echoing that view, the former government official said: "One way to view it might be: they made a defective product that the current laws don't make them liable for, and force you to buy a new product otherwise you are vulnerable to harm from the existing product."

Microsoft said: "Security experts across the industry agree that the best protection is to be on a modern, up-to-date system that incorporates the latest defence-in-depth innovations. Older systems, even if fully up-to-date, simply lack the latest protections."

John Gapper See Comment

Microsoft's free patch for Windows XP came too late to contain last week's ransomware outbreak — Brian Snyder/Reuters

Contracts & Tenders

NOTIFICATION FOR THE SUBMISSION OF PROPOSALS FOR COMPOSITION WITH CREDITORS WITH ASSUMPTION OF DEBTS, PURSUANT TO ART. 78 OF THE LEGISLATIVE DECREE NO. 270/1999, CONCERNING VALTUR S.P.A. IN A.S. , CASTELGANDOLFO S.P.A. IN A.S., COSTA VERDE S.R.L. IN A.S., MEDITERRANEO VILLAGES S.P.A. IN A.S., MULTICASA UNO S.R.L. IN A.S. AND TORRE PIZZO INVESTIMENTI S.R.L. IN A.S.

WHEREAS

1. Valtur S.p.A. ("**Valtur**"), Mediterraneo Villages S.p.A. ("**Mediterraneo Villages**"), Castelgandolfo S.p.A. ("**Castelgandolfo S.p.A.**"), Costa Verde S.r.l. ("**Costa Verde**"), Multicasa Uno S.r.l. ("**Multicasa**"), Torre Pizzo Investimenti S.r.l. ("**Torre Pizzo**") were admitted to the insolvency proceeding of Amministrazione Straordinaria pursuant to Art. 2, Paragraph 2, of the Italian Law Decree No. 347 dated December 23, 2003, as amended by the Italian Law No. 39 dated February 18, 2004 ("**Marzano Law**");
(Valtur, Castelgandolfo, Costa Verde, Mediterraneo Villages, Multicasa and Torre Pizzo, jointly, the "Companies")
2. Avv. Stefano Coen, Avv. Daniele Discepolo and Prof. Avv. Andrea Gemma ("**Commissioners**") were appointed as Extraordinary Commissioners of the Companies by the Italian Ministry of Economic Development ("**Ministry**"), pursuant to the Marzano Law;
3. Valtur is the owner of (i) the touristic and hotel real estate complex known as "Villaggio Valtur Capo Rizzuto", located in the municipality of Isola di Capo Rizzuto (Kr), composed by buildings and relevant lands ("**Capo Rizzuto Real Estate**"); of (ii) 28 apartments, 60 uncovered parking slots near to the apartments, some agricultural lands, a crumbling builing and 26 uncovered parking slots near the agricultural lands, all located within a real estate complex in Castelgandolfo (Rm) ("**Castelgandolfo Real Estate**"); of (iii) 11 parking slots located in the municipality of Roncadelle (Bs) within the shopping centre "Centro Commerciale Brescia 2000" ("**Roncadelle Parking Slots**"), of (iv) a real estate unit for warehouse use, located in the municipality of Tarvisio (Ud) ("**Tarvisio Warehouse**"), of (v) two business units for office use, located in the municipality of Settimo Torinese (To) ("**Settimo Torinese Real Estate**") and of (vi) some agricultural lands located in the municipality of Pantelleria (Tp) ("**Pantelleria Lands**");
4. Castelgandolfo is the owner of some lands used as 18-holes golf course ("**Golf Course**") and of a business unit used as club house, together with the relevant fixtures ("**Club House**"), all located in the "Il Laghetto" district of Castelgandolfo (Rm) (the Golf Course and the Club House, jointly, "**Castelgandolfo Golf Resort**");
5. Costa Verde is the owner of some real estate units, used for different scopes, located in the municipality of Arbus (Medio Campidano) ("**Arbus Real Estate**");
6. Mediterraneo Villages is the owner of (i) the touristic and hotel real estate complex known as "Villaggio Valtur Favignana", located in the municipality of Favignana (Tp) – Punta Fanfalo district, comprising some buildings and lands ("**Favignana Real Estate**"), of (ii) some agricultural lands and crumbling buildings located in the municipality of Castelvetrano (Tp), Contrada Margio ("**Selinunte Real Estate**"), of (iii) two real estate units for residential use, some real estate units for warehouse use and some agricultural lands located in the municipality of San Vito lo Capo (Tp), forming the so-called "Tonnara del Secco" ("**San Vito Real Estate**"), of (iv) some unfinished buildings and some agricultural lands located in the municipality of Ragusa, Kamarina district ("**Kamarina Real Estate**") and of (v) some agricultural lands located in the municipality of Campobello di Mazara (Tp), Tre Fontane district ("**Tre Fontane Lands**");
7. Multicasa Uno is the owner of some real estate units, used for different scopes, located in the municipality of Tarvisio (Ud), belonging to the same complex of the Tarvisio Warehouse, and in the municipality of Marileva (Tn) ("**Multicasa Real Estate**");
8. Torre Pizzo is the owner of some agricultural lands located in the municipality of Gallipoli (Le) ("**Gallipoli Lands**");
(the Capo Rizzuto Real Estate, the Castelgandolfo Real Estate, the Roncadelle Parking Slots, the Tarvisio Warehouse, the Settimo Torinese Real Estate, the Pantelleria Lands, the Castelgandolfo Golf Resort, the Favignana Real Estate, the Selinunte Real Estate, the San Vito Real Estate, the Kamarina Real Estate, the Tre Fontane Lands, the Arbus Business, the Multicasa Real Estate and the Multicasa Real Estate, jointly "**Valtur Group Real Estates**")
9. Valtur holds a holding representing the entire corporate capital of the company Giraudi S.r.l., with registered office in Milan, via Agnello n. 5, tax code 00281820084, which, in turn, is the owner of some real estate properties located in Milan, via Agnello 5 and via Santa Radegonda 8 ("**Giraudi Holding**");
10. Valtur also brought (i) a liability action pursuant to Art. 206 of the Italian bankruptcy law (Royal Decree No. 267/1942, hereinafter "**L.F.**") and Art. 2392, 2393, 2394 e 2394bis of the Italian Civil Code, against some individuals, claiming compensation for the damages caused to Valtur ("**Liability Action**") and (ii) some bankruptcy claw-back actions, pursuant to Art. 67 and 70 L.F., against some suppliers of Valtur and some credit institutions which Valtur had some relationships with ("**Claw-back Actions**");
11. the Commissioners intend to evaluate the possibility to proceed with the liquidation of the assets of each Company by a composition with creditors with assumption of debts (concordato con assunzione), pursuant to Art. 78 of the Legislative Decree no. 270 of July 8, 1999;
12. the proposals for composition with creditors, which shall be submitted on an autonomous basis with regard to each Company, shall provide for: (i) the assumption by the assumptor of all the liabilities of such Company, (ii) the assignment in favour of the assumptor of all the Valtur Group Real Estates owned by such Company and of the receivables of such Company as specified in the documents that will be made available, except for cash and cash equivalent, (iii) the succession of the assumptor in all the legal relationships relating to the Valtur Group Real Estates and in all the lawsuits involving such Company, to the maximum extent permitted by the law, and (iv) exclusively with regard to Valtur, the assignment to the assumptor of the Giraudi Holding, of the Liability Action and of the Claw-back Actions.

IN THE LIGHT OF THE ABOVE, THE COMMISSIONERS
INVITE

Any interested subjects to submit proposals for composition with creditors with assumption of debts pursuant to Art. 78 of the Legislative Decree No. 270 of July 8, 1999, with reference to one or more Companies, within and no later than 6.00 PM (CET) of the sixtieth day following the publication of this notification, at the office of the Notary Public Angelo Busani at via Cordusio No. 2, 20123 Milan (Italy), in compliance with the terms and conditions provided for by the tender rules available on the website http://www.valturamministrazionestraordinaria.it ("**Tender Rules**").

All subjects interested to submit proposals for the composition with creditors may request to carry out a due diligence activity relating to the Companies and the Valtur Group Real Estates, in compliance with the terms and the conditions provided by the Tender Rules.

The publication of this notification and any connected or subsequent activity shall not imply any liability whatsoever, even of pre-contractual nature, upon the Company and the Commissioners, nor any obligation whatsoever to carry on the composition proceeding. This notification shall neither constitute an offering invitation, nor an offering to the public pursuant to Art. 1336 of the Italian Civil Code or a solicitation of public savings pursuant to Art. 94 and following of the Legislative Decree No. 58/1998. This notification shall be governed by Italian Law and any dispute arising in connection therewith shall be exclusively submitted to the Court of Milan.

Milan, 18th May 2017

The Extraordinary Commissioners
Avv. Stefano Coen Avv. Daniele Discepolo Prof. Avv. Andrea Gemma

COMPANIES

Financial services

Deutsche Börse investors take aim at chief

Vote registers discontent over Kengeter role in failed merger with LSE

JAMES SHOTTER — FRANKFURT
PHILIP STAFFORD — LONDON

Carsten Kengeter, Deutsche Börse's chief executive, came under fire from investors over its failed merger with the London Stock Exchange Group at the German exchange operator's annual meeting yesterday.

Deutsche Börse's third attempt in 17 years to merge with its British rival collapsed this year when the LSE rejected concessions demanded by the European Commission without warning or consulting its German partner.

However, the merger's future had been in doubt since the UK voted last year to withdraw from the EU, raising questions about whether the two groups' intention to locate the holding company of their merged business in London — and therefore outside the future EU — was still tenable. Last month, the exchange conceded that the aborted tie-up had cost it €76.5m.

At the annual meeting in Frankfurt, shareholders controlling just over 16 per cent of the capital represented refused to give their seal of approval to the performance of Mr Kengeter in 2016. Other management board members faced similar levels of protest.

Under the German corporate code, a vote to "discharge" the board of a company is deemed a vote of confidence in its management and policies. A vote against discharge is the strongest way that shareholders can express displeasure at an AGM.

Andreas Lang, a representative of the DSW shareholder association, said that Deutsche Börse's leadership had failed to take into account the risks that Brexit could pose when designing the deal, which was announced three months before the UK vote. "How blue-eyed does one have to be to believe that the German exchanges regulator would, in the case of Brexit, allow a headquarters located outside the EU?" he asked.

"How much of a dilettante does one have to be, to believe that in the case of Brexit it would be possible, if necessary, to renegotiate key points of the agreement? What a technical error. And how embarrassing it is, when as a highly paid manager, one has to accept charges of naivety from politicians?"

Martin Weimann, from the VzfK shareholder association, said that Deutsche Börse had not spent enough time convincing politicians in Hessen, the German state where Deutsche Börse is based, of the merits of the deal, and had instead focused too much on federal politicians in the German capital Berlin.

"One can make mistakes, no question. But when you make the same mistake again and again, then it is either the expression of narrow-mindedness or stupidity," he said. "Lessons have to be learnt here, in particular by Mr Kengeter and [Deutsche Börse chairman Joachim] Faber. In my opinion, we need a fresh start in personnel terms."

Banks

Lehman unit's European creditors to share £5bn payout

JANE CROFT

Creditors of the European arm of Lehman Brothers will receive at least £5bn to cover interest on their debt after a Supreme Court judgment on issues relating to the US investment bank's collapse in 2008.

However, the UK's highest court yesterday dismissed a £2bn currency conversion case by creditors who had argued they should be compensated for losses caused when they swapped their dollar claims into sterling. The pound has fallen in value since 2008.

Lehman Brothers International Europe (LBIE) has a large surplus — estimated at between £7.5bn and £8bn — after paying out unsecured creditors in full.

There are a number of ongoing legal battles between groups of creditors who claim to be entitled to payments from the surplus. PwC, the administrator of LBIE, has been seeking guidance from the courts as to where the money should go.

The court's ruling means that creditors will receive at least the statutory interest rate of 8 per cent and will share at least £5bn before junior creditors receive any monies. However, legal battles remain about whether even higher rates of interest should be payable.

'The judgment clarifies some high-value and important matters concerning claims'

Tony Lomas, PwC's lead administrator on the case, welcomed the ruling: "We are continuously focused on resolving the issues that prevent us from distributing the £7.5bn surplus so we welcome the . . . Supreme Court judgment," he said.

"The judgment clarifies some high-value and important matters concerning claims for currency loss, subordinated debt and shareholder contributions, all of which will help determine who is entitled to the LBIE surplus and how large that surplus will be."

Rupert Reed QC, a commercial chancery barrister, said the court had taken a strict approach to applying the Insolvency Act and rules.

"The Supreme Court's judgment contains a number of significant findings in relation to administration," he said. "In particular, it has, by a majority, overturned the Court of Appeal in rejecting the right of creditors under debts denominated in a foreign currency to recover compensation for losses arising from the depreciation of sterling after the date of entry into administration."

Lehman failed in 2008 mainly because of its lack of liquidity but its European operations were well capitalised. Since then Lehman's senior unsecured creditors have received more than £36bn.

Lehman's European assets were sold in the aftermath of its collapse, with Japanese investment bank Nomura taking on most of what remained of Lehman Brothers' European staff. PwC is expected to work until 2020 on untangling Lehman and there are still a number of forthcoming legal cases.

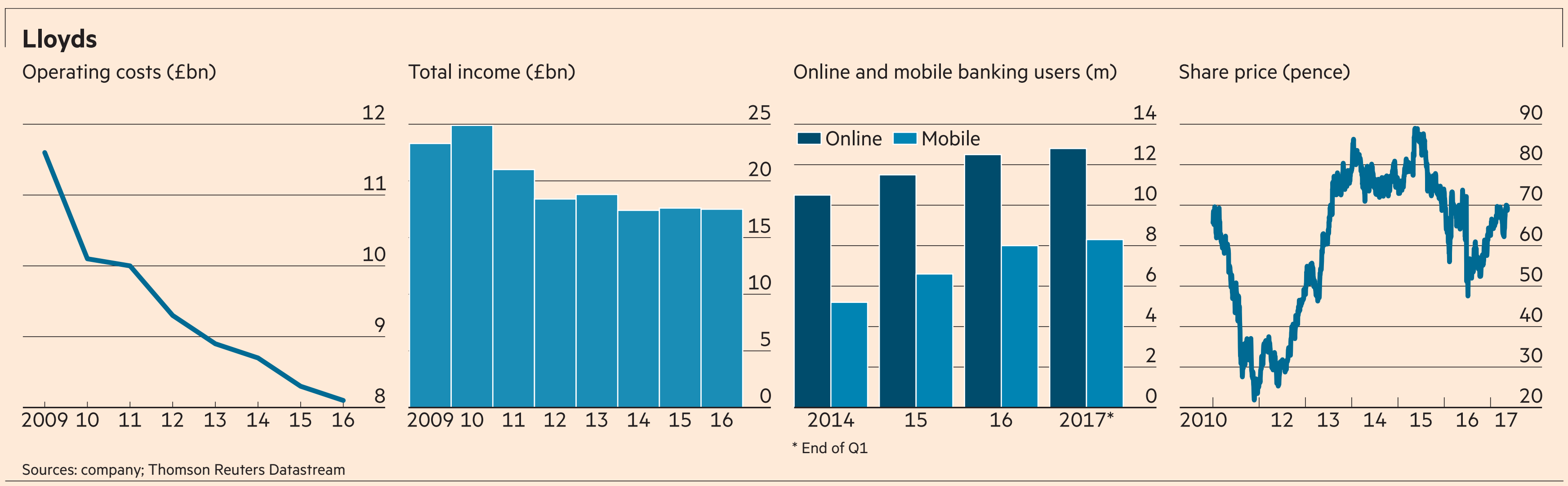
Banks. Reprivatisation

Lloyds eyes return to racing form as it sheds shackles

Lender has a lot of ground to cover after 10 years spent under government ownership

EMMA DUNKLEY

Simon Dawson/Bloomberg



The shackles of state ownership have been cast off Lloyds Banking Group nearly a decade after the financial crisis.

The government said yesterday it had sold its remaining shares in the bank, sealing a nominal profit of £900m.

The reprivatisation comes nearly a decade after Lloyds' £20.3bn taxpayer-backed rescue, which resulted in the government taking a 43 per cent stake.

Chief executive António Horta-Osório, who took over in 2011, has led a huge transformation of Lloyds into a profitable bank paying dividends. That transition has involved shedding £200bn of toxic loans, retrenching from 24 countries, cutting wholesale funding, and selling off TSB.

The end of the payment protection insurance scandal, which has forced Lloyds to earmark more than £17bn, is in sight. But Mr Horta-Osório has, over the past few months and again yesterday, stated that "there is more to do" at the bank, such as focusing it on digital services and making it more efficient.

Here are four challenges still clouding the horizon.

Succession: where next for Mr Horta-Osório?

Mr Horta-Osório has repeatedly stressed his commitment to Lloyds.

Yesterday he said the reprivatisation "doesn't change our strategy at all". He added: "It was the right strategy, the results are clear, and like you say in football, when you have a winning team with a winning strategy, you don't change it."

The chief executive said he would work on a fresh strategic plan for Lloyds in the second half of this year, with the aim of announcing it early in 2018.

But now most of the tough work involved in the bank's recovery is done, questions are being raised in the City about his next move.

Some headhunters have suggested the chief executive role at HSBC might be attractive once Stuart Gulliver steps down in 2018. Other people familiar with Mr Horta-Osório said he could return to his Portuguese homeland and become involved in politics.

Although succession planning at Lloyds is under way, no heir is obvious.

George Culmer, chief financial officer, would only take the helm on an interim basis. Sources point to Andrew Bester, head of commercial banking, and David Oldfield, head of retail and consumer finance, as internal candidates.

One shareholder said: "The market will soon be looking for some sort of sense from António as to whether he's committed to the next phase."

Lower revenues and little growth

Low interest rates have weighed on UK banks, squeezing the gap on what they charge on loans and pay on deposits.

Lloyds' total income has fallen in recent years, also as a result of a clampdown on selling certain products, such as payment protection insurance. Total income was £17.5bn in 2016, lower than the £17.6bn in 2015, £18.4bn in 2014 and £18.8bn in 2013.

The bank has tried to preserve its net interest margin by refusing to engage in a mortgage price war, meaning its loan book has shrunk over the past few years.

Brexit poses another risk to its growth prospects because any economic downturn in the UK could hit demand for loans. David Lock at Deutsche Bank said the risks to Lloyds were "higher loan losses, lower economic growth, and economic/market uncertainty".

The bank is now pushing into areas where it is under-represented, such as credit cards, after its £1.9bn deal to acquire MBNA's UK cards business.

Ian Gordon, an analyst at Investec, expected this acquisition and margin expansion would offset a shrinking balance sheet, leading to "a very modest recovery in revenues".

Cost-cutting: more to come?

Reducing costs is arguably one of the few levers Mr Horta-Osório has to pull. He has driven Lloyds' cost-to-income ratio to 47 per cent, the lowest among the UK's high street banks.

But cost-cutting involves slashing jobs and closing branches.

Costs are mounting elsewhere. UK banks have to comply with ringfencing regulations by 2019, which will cost tens of millions of pounds.

Past mis-selling haunts Lloyds. Although the FCA has set a claims deadline, Mr Lock said "PPI volumes look to have ticked higher in recent weeks."

Lloyds is also reviewing claims of victims in the HBOS scandal, which left a number of small businesses bankrupt. It is preparing to pay out about £100m.

Digital threat

Lloyds' figures show the number of mobile app customers has risen from 5.2m in 2014 to 8.3m. The bank has emphasised its focus on serving customers through both digital services and branches. Rolling out more digital services to customers, and automating processes in the bank, is key to cutting costs and staving off competition from new entrants, such as Amazon and Google.

Becoming more efficient, Lloyds has argued, makes the sector less attractive for these tech companies to disrupt.

Traditional banks, encumbered by old technology systems, are at risk of having some of their revenue eroded by emerging fintech start-ups, such as UK app-based banks Monzo and Starling.

Although the threat is small at this stage, their ability to win customers and attack lines of revenue could increase, spurred by impending regulation that will require lenders to open up customer transaction data for third parties.

Banks

Goldman piles into US leveraged loans market

BEN MCLANNAHAN — NEW YORK

Goldman Sachs has burst into the top tier of underwriters of US leveraged loans, as the bank goes all out to position itself as an adviser to buyers of companies, as well as sellers.

The Wall Street powerhouse, a clear number one in M&A advice, has traditionally been the go-to bank for companies on the receiving end of a bid.

In the 1980s and 1990s, for example, Goldman was known for putting up defences against debt-fuelled raiders such as Carl Icahn and T Boone Pickens, and for forcing high prices for companies if boards wanted to sell.

But in recent years, as more and more defence business has been captured by boutique advisory firms, the bank has tried to play both sides. To do that, it has moved into acquisition-financing activities historically dominated by the likes of JPMorgan Chase, Bank of America and Citigroup.

This year that push has been particularly evident in the market for US leveraged loans, or loans to companies already carrying lots of debt. Goldman ranks third so far this year, according to Bloomberg data, up from eighth in 2016, having arranged 172 deals worth a total of $41bn. BofA and JPMorgan occupy the two top spots, with deals worth $54bn and $58bn, respectively.

"Greasing the wheels" of transactions by offering debt finance made sense, said David Hendler, the founder and principal at Viola Risk Advisors. "The house of Goldman has a lot of smart people and they want to get paid. They've got to be where the margins are."

Goldman's debt-underwriting business was a bright spot in a relatively weak first quarter, in which the bank's normally dependable bond-trading unit misfired. Revenues from debt underwriting were up 25 per cent from a year earlier during the period to $636m, more than twice what the bank earned from backing equity deals.

Goldman Sachs has arranged deals worth a total of $41bn this year

US banks arranged about $434bn of leveraged loans in the first three months of the year, the most for a quarter in records going back to at least 1999, according to Bloomberg.

The surge in activity is likely to attract close scrutiny from regulators, which have tried to discourage big banks from financing deals that involve piling more debt on already debt-laden companies.

Goldman's highlights in the non-investment grade world this year include $6.1bn of loans and bonds for Change Healthcare, a Nashville-based group, and $4.2bn of debt for BWAY, a packaging company, to buy Mauser, a rival.

Jeff Nassof at Freeman & Co, a financial services consulting firm, said the bank was probably benefiting from its activity about 18 months ago, when Goldman-backed funds snapped up debt from a succession of issuers during a rocky market. At the time, a lot of big banks were pulling in their horns, refusing to originate new loans.

"Goldman is kind of unique among the big banks on the street, in that they have private credit funds on a massive scale," Mr Nassof said.

"Most of the other banks took those off, if they had them to begin with."

UK COMPANIES

Lombard

British Land hopes investors and tenants will not lose their appetite

Matthew Vincent

Investors still have an appetite for City of London property. This may seem surprising. Not because of any queasiness about Brexit, but because some developments in the Square Mile sound decidedly unappealing.

British Land, having discarded its Cheesegrater, is now offering crab claws out of old shipping containers. Meanwhile, banana seller Safra is mulling options for its Gherkin. Yum.

Of course, these news lines are largely the product of giving daft nicknames to office buildings. Still, they do provide a flavour of London's commercial property market.

British Land's Cheesegrater, or Leadenhall Building, has been sold to China's CC Land for a record £1.15bn — allowing the UK group to focus on its £1.7bn development pipeline, which includes the Broadgate "campus", already home to several hip pop-up restaurants. Now Safra's Gherkin, or 30 St Mary Axe, which the Chiquita Bananas owner bought for £726m in 2014, is attracting buyer interest.

And for British Land, in particular, higher valuations can offer reassurance — even if they are not quite as high as the $3bn a Hong Kong developer just paid for a five-storey car park.

Yesterday's full-year results from the FTSE 100 company showed that a 2.8 per cent fall in UK property valuations in the first half, after the EU vote, was successfully reversed. Valuations rose 1.6 per cent in the second half, limiting the 12-month decline to 1.4 per cent. Much of this was due to strong sale prices: British Land disposed of about a tenth of its portfolio, achieving 9 per cent more than book value.

Such demand counters certain worrying indicators. In the office market, potential tenants have been um-ing and ah-ing before signing leases. Or as British Land put it: "continuing to commit . . . after longer and more thoughtful decision making processes". At the same time, in the retail market, activity is being slowed by cost inflation and consumer caution.

Chief executive Chris Grigg admits retail will be a challenging environment in the coming year. It seems some shareholders agree: British Land shares fell 3.3 per cent as they digested the results. However, they may find two aspects more palatable.

In a property market where rents are polarising based on location, British Land's move to turn over half its portfolio and improve quality appears to have paid off. One of its new Paddington developments was 80 per cent let a week after completion.

But it is not just high-profile locations — and their sale prices — that are supporting valuations. Even with the Cheesegrater sale stripped out, second-half valuations were up.

That makes the group's own valuation — a 26 per cent discount to net asset value, with a higher yield than rival Land Securities — look a bit like that Hong Kong car park: somewhat low-rise. With its Broadgate pop-ups rumoured to be joined by a John Lewis and Waitrose — rumours British Land will not be drawn on — the shares may become less of an acquired taste.

A test of trustee mettle

Those Stakhanovite trustees of the British Steel Pension Scheme have struck a deal to keep some of their 130,000 members out of the Pension Protection Fund. It is just one hip short of a full hooray.

There was talk of the UK business's owner, Tata Steel, walking away from the scheme entirely. Now, Tata will inject £550m and a third of the equity in its UK business, split between the old BSPS, which will enter the PPF, and a new scheme sponsored by Tata.

However, the trustees' work is just beginning. They must explain to members exactly why the new scheme will be better for them than the PPF. It is not a foregone conclusion.

Up to 200 of the steel group's highest paid workers, including some trustees, will almost certainly be better off. They could lose 30 per cent of promised benefits in the PPF. However, about 80,000 pensioners are unlikely to see much difference. And some members will be worse off if they transfer. While there is a 10 per cent cut to workers' benefits, the PPF's terms are relatively generous to those who postpone retirement or retire early. If they stay in the PPF, it would inflate BSPS liabilities but also the PPF's share of assets. It will be tempting for trustees to maximise the new scheme's share of assets and over-egg its advantages to workers. If too few members opt for the new scheme, it will slide into the PPF — which may get Tata off the hook but won't please better-paid workers.

Critics claim pension trustees are not up to their fiduciary duty to protect members' interests. It is up to BSPS' trustees to prove them wrong. Or right.

BP's vote of confidence

How much does it cost to win over 57 per cent of voters? About $8m, if you are BP. Cutting chief executive Bob Dudley's pay by this amount has reduced shareholder opposition from 60 per cent last year to just 3 per cent now. What would political donors give for such cost-effective engagement?

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Oil & gas

BP cuts chief's pay by $8m in policy overhaul

Board enjoys a success with shareholder backing for remuneration plan

ANDREW WARD — ENERGY EDITOR

BP shareholders yesterday backed the oil and gas company's new pay policy and a move to cut the remuneration of chief Bob Dudley by 40 per cent after last year's large-scale investor rebellion.

More than 97 per cent of votes cast at BP's annual meeting supported Mr Dudley's $11.6m pay package for 2016 — down from $19m in 2015 — as well as a new three-year policy that cut bonuses and other remuneration.

The result represented a success for BP's board after discussions with shareholders following last year's meeting when almost 60 per cent of the votes were cast against the 2015 pay report.

BP became a focal point for investor protests over executive pay as Mr Dudley's remuneration soared while earnings plummeted after the company's Deepwater Horizon oil spill in the Gulf of Mexico in 2010. BP particularly angered shareholders when Mr Dudley's pay rose 20 per cent in 2015 and the company reported its worst loss yet.

BP's board has responded by cutting Mr Dudley's total pay for 2016 by almost $8m, in spite of the company returning to profit last year. It is also lowering bonus payments by a quarter in future years, and reducing long-term incentive payouts to a maximum of five times salary, from seven times.

Dame Ann Dowling, head of BP's remuneration committee, said the policy sought to make pay more transparent, simple and strongly linked to investor returns. "We believe our new policy, with materially lower remuneration, strikes the right balance."

In a binding vote, 97.3 per cent of votes were cast were in favour of the policy, while 97.1 per cent backed the 2016 pay report.

Carl-Henric Svanberg, chairman, said BP recognised public concerns about the gap between the salaries of company executives and ordinary workers. But he argued that BP must continue paying enough to recruit and retain the best talent — especially in the US.

Ashley Hamilton Claxton, corporate governance manager at Royal London Asset Management, a large BP shareholder, praised Dame Ann's committee for turning BP from a pariah to a leader on executive pay. "[During] a season of annual general meetings where companies have been doing the bare minimum to gain shareholder approval in 2017, BP has led the way and applied discretion to override the formulaic outcome of the pay policy," she said.

Some shareholders were still not assuaged. In a question-and-answer session with the board, one person drew applause when he said executive pay at BP was still "grotesque" and the reforms "too little and too late".

Mr Svanberg said BP felt "growing confidence" about the future after last year agreeing its last big settlement related to the Deepwater Horizon disaster.

Production was expected to be back to 4m barrels of oil and oil equivalent a day — the level it was at before the 2010 oil spill — by the end of the decade, said Mr Dudley.

See Lombard

Anna Gordon

Undersold John Lewis fails to keep price pledge

John Lewis, which tries to lure shoppers by matching other retailers' prices while surpassing them on service, has been caught breaking its promise to be "never knowingly undersold".

The department store says it will match lower prices on identical products offered by national rivals that have bricks-and-mortar stores. But researchers for Money Saving Expert, a consumer website, said they had caught the chain breaking that pledge.

On five occasions reported by the website, the retailer's staff acknowledged that a national rival was selling an identical product for a lower price. But although the store offered a discount to the customer who pointed out the disparity, it failed to make the promised reduction to the shelf price paid by others.

Another 11 products examined by Money Saving Expert had correctly remained on sale at the higher price because a cheaper offer was only available at an independent store.

When a rival is a local, John Lewis' policy is to match prices for those who ask and make a permanent change to the price tag if the competitor is less than eight miles away.

The chain conceded that on five occasions it had failed in its policy. *Mark Vandevelde*

Briefs

Mitchells & Butlers
Premium push

Inflation caused by the fall in sterling, rises in the minimum wage and higher business rates knocked 10 per cent off pre-tax profits at Mitchells & Butlers, Britain's second-biggest operator of pubs and restaurants by revenue.

The operator of All Bar One pubs and Miller & Carter steakhouses said it was trying to combat rising costs by moving its estate of 1,800 sites upmarket and persuading customers to spend more for an improved product. "We have been working hard to encourage our guests to trade up and increase spend per head for a more premium experience," said Phil Urban, chief executive.

Restaurant and pub operators are braced for tougher trading in the second half of this year because of rising costs and a predicted consumer slowdown. They also face competition from new "casual dining" restaurants.

Reporting results for the 28 weeks to April 8, M&B said like-for-like sales rose 1.6 per cent as investment in refurbishing its pubs and restaurants paid off. Total revenues rose 2.5 per cent to £1.1bn. However, pre-tax profits fell 9.6 per cent to £75m. *Conor Sullivan*

Nestlé
Foiled again

Nestlé has been foiled once again in its efforts to trademark the shape of KitKat, its four-fingered wafer bar. The Swiss food company yesterday lost its case in the Court of Appeal, to which it had turned after an unfavourable ruling in the High Court last year.

Upholding that decision and dismissing the appeal, the judge said in his ruling that "Nestlé had failed to show that, as at the date of the application, the mark had acquired distinctiveness".

Nestlé said it was disappointed and was considering its next steps. "This judgment does not mean that our four-finger shape is now free for use in the UK or elsewhere," it said, adding that KitKat had been granted trademark registration in other countries, including Germany, France, Australia, South Africa and Canada, which it said protected it from imitations. *Scheherazade Daneshkhu*

Brewin Dolphin
Shift in focus

Profits at wealth manager Brewin Dolphin were boosted by its continuing focus on portfolio management in the first half. The FTSE 250 company reported pre-tax profits of £28.4m in six months to March 31 2017, up from £21.5m year on year.

The wealth manager has spent the past three years transforming from a stockbroking group into a more modern wealth manager, increasing focus on discretionary fund management. It grew funds managed by the discretionary arm of its business to £31.5bn over the half year, up from £25.8bn in March 2016. *Aime Williams*

Technology

Sophos boosted by 'global wake-up call' for security systems

NICHOLAS MEGAW

The chief executive of UK cyber security company Sophos said the WannaCry ransomware attack would be a "global wake-up call" for organisations to improve their security systems, as the group revealed that it expected to increase sales by almost two-thirds over the next three years.

Kris Hagerman said: "It's going to create a higher level of visibility and awareness among every size organisation, from the very largest to the very smallest." The company reported strong full-year growth and predicted it would maintain the momentum over the next few years.

Shares in Sophos climbed as much as 10 per cent yesterday and have risen almost 20 per cent since the WannaCry infection began to spread on Friday. Investors have piled into the cyber security sector as they bet that companies will increase security spending to protect themselves against a repeat attack.

The attack affected hundreds of thousands of computers around the world, disrupting governments, corporations and organisations such as the NHS. Sophos supplies security systems to a number of health service trusts and said those using its products were "100 per cent protected" from the attack.

"I'm very sympathetic to the position of some of these organisations where they have large significant legacy systems, it's not easy to move but over time you have to create a plan to do so — this is certainly a reminder of that," said Mr Hagerman.

The company expects annual billings to reach about $1bn and adjusted operating profits of more than $100m by the financial year ending 2020, as deferred revenues and high subscription renewal rates allow it to make longer-term forecasts for the first time.

Billings increased 18.2 per cent in the year to March 31 to $632.1m, in line with expectations after Sophos upgraded its forecasts last month. Reported revenues were lower, as it does not immediately receive the total payment from subscriptions, but still rose 10.8 per cent to $529.7m. Operating profit of $38.3m was higher than forecast, when adjusted for amortisation and exceptional items.

Sophos focuses on providing software for mid-sized enterprises. Mr Hagerman said emphasis on smaller groups meant "we have a lot of running room" to grow from a 260,000 customer base.

See Lex and Markets

Overseas pleas
Surge in requests to help fight online crime

Inquiries from overseas prosecutors to their British counterparts about cyber crime have soared.

The number of Mutual Legal Assistance requests to the UK rose 12 per cent to 1,855 in 2016, according to Home Office statistics obtained by Thomson Reuters.

There has also been more than a fourfold jump in such MLA requests since 2013, the figures show. Cyber crime was defined in the data to include fraud and online attacks such as hacking. *Caroline Binham*

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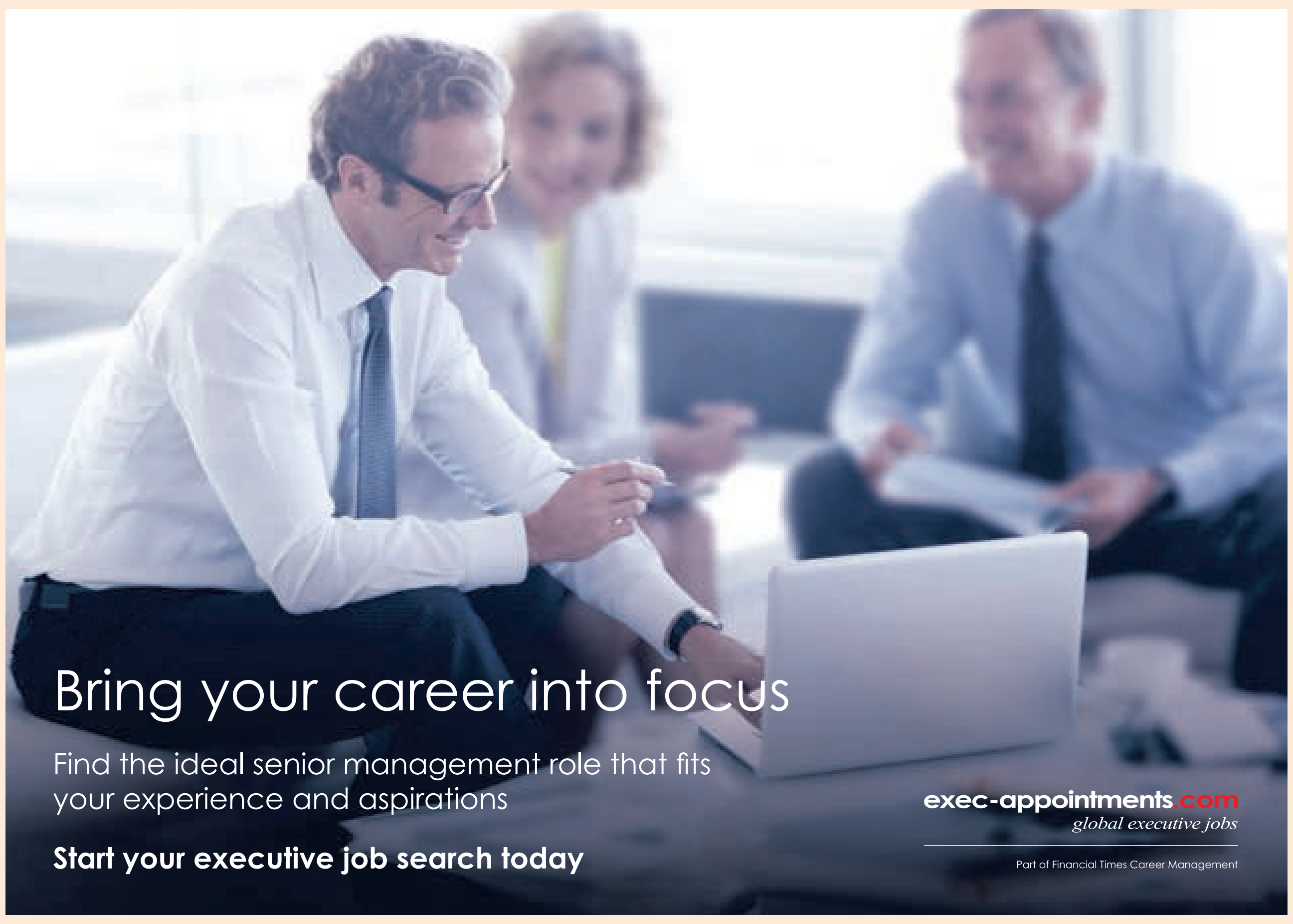


Property

British Land to launch flexible office venture

Group uses its buildings to tap into rising demand for short-term shared space

JUDITH EVANS

British Land is to set up its own flexible office brand, taking on the likes of WeWork and Workspace as demand rises for short-term shared office space.

The UK's second-largest property company becomes the first of London's leading landlords to develop its own flexible offering rather than leasing space to a third-party provider. It plans to launch the brand by the end of June.

Flexible office providers, which offer ready-made space on short leases, have established themselves as a major force in the London office market, taking up about 900,000 sq ft in each of the past five years, according to Cushman & Wakefield, the property agents.

> 'There are not many in the UK who can do what we can do . . . where we own the buildings already'

"There are not many people, if any, in the UK who can do what we can do in terms of a proposition where we own the buildings already," said Chris Grigg, British Land chief executive.

The company is fitting out 80,000 sq ft of flexible office space and plans to expand this offering across its London estate, potentially adding buildings solely dedicated to flexible space. It has cut its first deal with an existing tenant to take 25,000 sq ft of space on flexible terms for its digital team.

British Land would target businesses employing between 20 and 70 people, plus departments of larger groups that already had space in its buildings, Mr Grigg added. It has previously let space to WeWork and rival Central Working.

The expansion of the US group WeWork and its rivals in London has helped to transform the once-mundane world of serviced offices into a fashionable offering complete with networking events for tech companies and start-ups. This has caused landlords to question whether they should try to capture themselves the higher rents that providers can charge for short-term leases.

The announcement came as British Land reported a recovery in the value of its assets from a post-referendum dip, as it achieved the record-breaking sale of London's "Cheesegrater" skyscraper. It sold its 50 per cent stake for £575m.

The group pushed up underlying profits by 7.4 per cent to £390m in the year to the end of March, in full-year results that came in ahead of expectations. Statutory pre-tax profits shrank to £195m from £1.3bn a year ago — an 85 per cent drop, as asset values moderated from a large rise the previous year.

But British Land said the value of its portfolio had risen 1.6 per cent in the second half to £13.9bn, marking a recovery after the vote to leave the EU caused jitters in property markets. This resulted in a 1.4 per cent drop in value for the full year to March for British Land's portfolio, which spans offices, shopping centres and mixed-use development sites.

The group warned that uncertainty related to the vote to leave the EU "will continue for some considerable time". Markets reacted negatively, with the shares down 3.3 per cent to 651.50p.

The group will pay out a final quarterly dividend of 3p a share, bringing the full year's payout to investors to 29.2p, up 3 per cent from last year.

See Lombard

Construction

Housebuilder Countryside Properties operates in the south-east, north-west and West Midlands under its Countryside and Millgate brands — Chris Ratcliffe/Bloomberg

Countryside lifts forecasts after rise in completions

MEHREEN KHAN AND CAT RUTTER POOLEY

UK housebuilder Countryside Properties traded ahead of market expectations in the first half, with a sharp rise in home completions leading it to boost its forecasts.

In its results for the six months to the end of March, the FTSE 250 company said adjusted operating profits climbed 39 per cent to £70.4m from £50.8m a year ago, with home completions rising nearly a third to 1,437.

The company, which develops housing in the south-east, north-west and West Midlands under its Countryside and Millgate brands, said the momentum would carry on into the second half after it secured building sites in the London boroughs of Bromley and Barking, with another in Maidenhead, Berks.

"With strong operational delivery and an increasing pipeline of future work, we see continued outperformance in the medium term and are upgrading our outlook for 2017 and 2018," said Ian Sutcliffe, chief executive.

Countryside said it now expects full-year profits to come ahead of market expectations for 2017 and 2018 and is pencilling in a further 10 per cent rise on its 2018 completions target in its partnership homes division, which builds homes as part of large-scale regeneration projects on public sector land.

The company listed in February last year with a £1bn valuation after fears about the property market saw it price at the bottom of its target price range.

Its shares have since climbed nearly one-third from 225p to 298p on strong demand for new-build properties, which has been supported by the government's Help to Buy equity loan scheme.

Profits rose despite a planned drop in average selling prices for its private homes, down 13 per cent from £505,000 last year to £441,000.

The company said the fall was driven by a smaller proportion of sales from its premium Millgate brand as it cut exposure to the market for high-end homes. Average selling prices of affordable homes, a smaller part of Countryside's business, rose 16 per cent to £172,000.

Statutory pre-tax profits more than tripled to £60.3m, after last year's earnings were held back by significant costs from the group's initial public offering, and higher finance costs from its period in private equity ownership, which have since been refinanced.

Adjusted basic earnings per share rose 128 per cent, from 5.0p to 11.4p.

Stamp duty fallout
Foxtons suffers after record sales in 2016

UK estate agent Foxtons reported declining revenues in the first quarter of the year compared with the same period in 2016 when it was boosted by record sales volumes ahead of the introduction of a stamp duty surcharge.

In a trading update, the agent said overall group revenues slipped 25 per cent from £38.4m to £28.7m in the first three months of the year. Revenues were £26.4m in the previous quarter. The company's shares are down nearly 30 per cent this year. *Mehreen Khan*

MARKET DATA

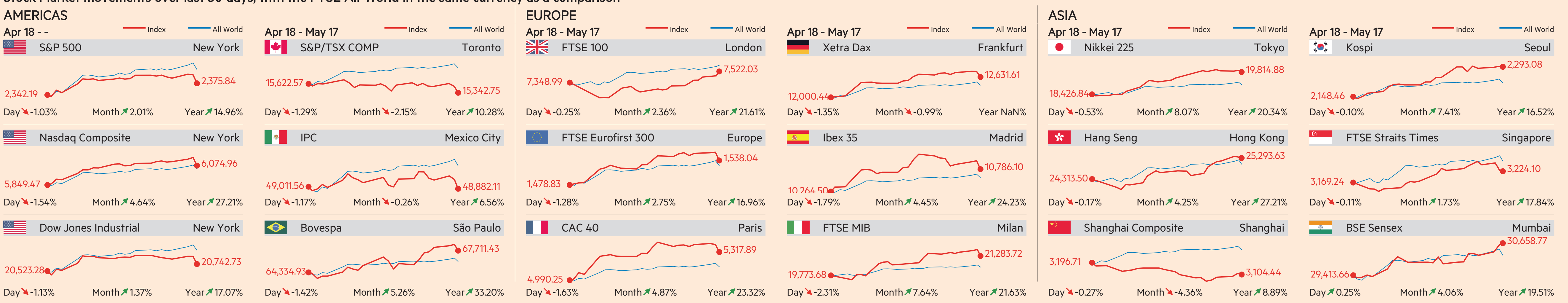
WORLD MARKETS AT A GLANCE

FT.COM/MARKETSDATA

Change during previous day's trading (%)

S&P 500	Nasdaq Composite	Dow Jones Ind	FTSE 100	FTSE Eurofirst 300	Nikkei	Hang Seng	FTSE All World $	$ per €	$ per £	¥ per $	£ per €	Oil Brent $ Sep	Gold $
-1.03%	-1.54%	-1.13%	-0.25%	-1.28%	-0.53%	-0.17%	-0.79%	0.632%	0.387%	-1.504%	0.117%	0.97%	1.88%

Stock Market movements over last 30 days, with the FTSE All-World in the same currency as a comparison



Country	Index	Latest	Previous
Argentina	Merval	21720.25	21833.61
Australia	All Ordinaries	5821.20	5882.20
	S&P/ASX 200	5786.00	5850.50
	S&P/ASX 200 Res	3357.60	3335.90
Austria	ATX	3119.18	3146.41
Belgium	BEL 20	3954.11	4010.58
	BEL Mid	6644.39	6742.40
Brazil	Bovespa	67711.43	68684.50
Canada	S&P/TSX 60	902.60	915.88
	S&P/TSX Comp	15342.75	15543.33
	S&P/TSX Div Met & Min	717.62	710.87
Chile	IGPA Gen	24360.94	24448.43
China	FTSE A200	8764.32	8822.63
	FTSE B35	9000.71	8988.96
	Shanghai A	3250.97	3259.85
	Shanghai B	326.51	325.27
	Shanghai Comp	3104.44	3112.85
	Shenzhen A	1953.59	1951.07
	Shenzhen B	1099.77	1098.21
Colombia	COLCAP	1449.37	1458.09
Croatia	CROBEX	1863.22	1867.62
Cyprus	CSE M&P Gen	78.71	78.63
Czech Republic	PX	1020.64	1027.12
Denmark	OMXC Copenahgen 20	968.94	989.13
Egypt	EGX 30	12866.06	12870.91
Estonia	OMX Tallinn	1116.39	1115.00
Finland	OMX Helsinki General	9522.28	9685.52
France	CAC 40	5317.89	5406.10
	SBF 120	4225.48	4295.51
Germany	M-DAX	24685.71	25102.49
	TecDAX	2198.05	2231.39
	XETRA Dax	12631.61	12804.53
Greece	Athens Gen	789.08	788.78
	FTSE/ASE 20	2094.74	2095.67
Hong Kong	Hang Seng	25293.63	25335.94
	HS China Enterprise	10383.14	10433.69
	HSCC Red Chip	3977.47	3979.38
Hungary	Bux	34146.49	34078.47
India	BSE Sensex	30658.77	30582.60
	Nifty 500	8396.00	8398.95
Indonesia	Jakarta Comp	5615.49	5647.00
Ireland	ISEQ Overall	6894.84	7015.52
Israel	Tel Aviv 100	13.04	13.04
Italy	FTSE Italia All-Share	23453.82	24016.55
	FTSE Italia Mid Cap	39451.36	40489.08
	FTSE MIB	21283.72	21787.90
Japan	2nd Section	5899.38	5897.60
	Nikkei 225	19814.88	19919.82
	S&P Topix 150	1278.09	1285.29
	Topix	1575.82	1584.23
Jordan	Amman SE	2167.78	2157.66
Kenya	NSE 20	3229.30	3244.72
Kuwait	KSX Market Index	6725.30	6706.25
Latvia	OMX Riga	840.64	833.32
Lithuania	OMX Vilnius	581.50	586.45
Luxembourg	LuxX	1700.80	1719.20
Malaysia	FTSE Bursa KLCI	1775.65	1778.15
Mexico	IPC	48882.11	49459.62
Morocco	MASI	11636.50	11757.00
Netherlands	AEX	529.06	535.76
	AEX All Share	803.38	813.44
New Zealand	NZX 50	7422.50	7407.61
Nigeria	SE All Share	27513.69	28192.46
Norway	Oslo All Share	801.94	797.92
Pakistan	KSE 100	51511.41	51813.19
Philippines	Manila Comp	7826.53	7791.07
Poland	Wig	60183.93	61000.25
Portugal	PSI 20	5117.64	5195.57
	PSI General	2825.48	2857.69
Romania	BET Index	8445.05	8454.74
Russia	Micex Index	1995.90	1992.94
	RTX	1104.79	1112.95
Saudi-Arabia	TADAWUL All Share Index	6940.48	6891.99
Singapore	FTSE Straits Times	3224.10	3227.71
Slovakia	SAX	304.47	304.47
Slovenia	SBI TOP	780.24	780.89
South Africa	FTSE/JSE All Share	54001.94	54023.12
	FTSE/JSE Res 20	32367.73	32219.90
	FTSE/JSE Top 40	47504.07	47426.96
South Korea	Kospi	2293.08	2295.33
	Kospi 200	299.34	299.67
Spain	IBEX 35	10786.10	10982.40
Sri Lanka	CSE All Share	6718.34	6692.33
Sweden	OMX Stockholm 30	1628.37	1653.06
	OMX Stockholm AS	583.71	592.21
Switzerland	SMI Index	9001.60	9127.61
Taiwan	Weighted Pr	10013.67	10031.49
Thailand	Bangkok SET	1548.29	1546.35
Turkey	BIST 100	96161.50	95587.75
UAE	Abu Dhabi General Index	4582.07	4564.31
UK	FT 30	3322.90	3332.60
	FTSE 100	7503.47	7522.03
	FTSE 4Good UK	6663.81	6681.07
	FTSE All Share	4101.20	4113.10
	FTSE techMARK 100	4623.44	4649.58
USA	DJ Composite	7120.90	7205.32
	DJ Industrial	20742.73	20979.75
	DJ Transport	8873.74	9062.85
	DJ Utilities	698.79	697.21
	Nasdaq 100	5643.02	5724.44
	Nasdaq Cmp	6074.96	6169.87
	NYSE Comp	11498.18	11606.49
	S&P 500	2375.84	2400.67
	Wilshire 5000	24684.79	24965.49
Venezuela	IBC	64415.96	62097.24
Vietnam	VNI	727.20	725.03
Cross-Border	DJ Global Titans ($)	272.56	275.03
	Euro Stoxx 50 (Eur)	3582.99	3641.89
	Euronext 100 ID	1027.52	1042.54
	FTSE 4Good Global ($)	6021.62	6086.89
	FTSE All World	303.70	306.13
	FTSE E300	1538.04	1558.02
	FTSE Eurotop 100	3023.91	3060.72
	FTSE Global 100 ($)	1493.72	1506.39
	FTSE Gold Min ($)	1523.07	1516.43
	FTSE Latibex Top (Eur)	4238.00	4286.30
	FTSE Multinationals ($)	1759.78	1751.23
	FTSE World ($)	537.57	542.04
	FTSEurofirst 100 (Eur)	4372.33	4422.89
	FTSEurofirst 80 (Eur)	4920.40	4997.49
	MSCI ACWI Fr ($)	463.11	461.87
	MSCI All World ($)	1906.23	1901.64
	MSCI Europe (Eur)	1612.87	1607.82
	MSCI Pacific ($)	2534.41	2521.86
	S&P Euro (Eur)	1637.77	1663.71
	S&P Europe 350 (Eur)	1583.26	1602.83
	S&P Global 1200 ($)	2108.55	2126.05
	Stoxx 50 (Eur)	3239.73	3276.11

(c) Closed. (u) Unavaliable. † Correction. ♥ Subject to official recalculation. For more index coverage please see www.ft.com/worldindices. A fuller version of this table is available on the ft.com research data archive.

STOCK MARKET: BIGGEST MOVERS

AMERICA

ACTIVE STOCKS	stock traded m's	close price	Day's change
Apple	35.4	152.31	-3.16
Amazon.com	21.2	955.74	-10.33
Nvidia	19.2	131.83	-4.98
Bank Of America	18.5	22.94	-1.05
Facebook	17.5	147.42	-2.36
Tesla	11.1	309.58	-7.43
Citigroup	9.3	60.62	-1.87
Alphabet	8.5	931.90	-11.10
Alphabet	8.4	954.00	-10.61
Target	8.0	55.68	1.15

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Colgate-palmolive	73.98	2.40	3.35
Extra Space Storage	74.01	2.22	3.09
Newmont Mining	34.67	0.92	2.73
Davita	63.48	1.39	2.24
Brown-forman Class B	51.53	1.07	2.12
Downs			
Citizens Fin	35.06	-2.02	-5.45
Comerica orporated	67.59	-3.69	-5.18
The Charles Schwab	38.61	-2.06	-5.07
United Rentals	106.22	-5.50	-4.92
Suntrust Banks	54.38	-2.66	-4.66

Based on the constituents of the S&P500 and the Nasdaq 100 index

LONDON

ACTIVE STOCKS	stock traded m's	close price	Day's change
Lloyds Banking	235.4	71.52	1.37
Hsbc Holdings	231.0	678.30	-4.58
Vodafone	204.3	221.35	1.79
Bp	191.7	470.50	1.39
Rio Tinto	179.2	3095.50	7.79
Glaxosmithkline	177.8	1660.00	-1.32
Reckitt Benckiser	140.3	7611.00	58.42
Unilever	139.7	4154.00	-5.43
Glencore	138.4	290.00	-6.68
British American Tobacco	129.8	5480.00	5.10

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Sophos	395.40	25.20	6.81
Sig	131.90	5.17	4.07
Fresnillo	1606.00	42.86	2.74
Euromoney Institutional Investor	1119.00	29.00	2.66
hcape	857.00	19.46	2.33
Downs			
Mitchells & Butlers	258.00	-15.07	-5.48
Dunelm	591.50	-23.00	-3.73
Wetherspoon (J.d.)	1021.00	-37.00	-3.50
Crh	2774.00	-100.16	-3.48
Auto Trader	405.50	-13.80	-3.29

Based on the constituents of the FTSE 350 index

EURO MARKETS

ACTIVE STOCKS	stock traded m's	close price	Day's change
Unicredit	527.7	16.37	-0.73
Nestle N	441.6	74.87	-0.55
Intesa Sanpaolo	415.5	2.80	-0.04
Roche Gs	368.5	246.51	-2.57
Santander	359.8	5.96	-0.18
Ing Groep N.v.	354.8	14.99	-0.42
Novartis N	353.1	72.67	-0.82
Bnp Paribas Act.a	319.2	65.11	-2.10
Deutsche Bank Ag Na O.n.	309.9	16.85	-0.61
Total	301.6	48.45	-0.25

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Thyssenkrupp Ag O.n.	23.18	0.69	3.05
Yara Int	34.37	0.96	2.87
Erste Bank Ag	34.00	0.33	0.98
Telenor	14.44	0.14	0.97
Metro Ag St O.n.	30.91	0.30	0.96
Downs			
Edf	8.85	-0.62	-6.57
Unicredit	16.37	-0.73	-4.27
Bankia	1.06	-0.05	-4.27
B.popular	0.67	-0.03	-4.16
Hugo Boss Ag Na O.n.	68.62	-2.81	-3.93

Based on the constituents of the FTSEurofirst 300 Eurozone index

TOKYO

ACTIVE STOCKS	stock traded m's	close price	Day's change
Mitsubishi Ufj Fin,.	579.3	709.50	-10.20
Toyota Motor	433.6	6034.00	-59.00
Softbank .	410.2	8623.00	30.00
Mizuho Fin,.	349.7	198.00	-5.10
Sumitomo Mitsui Fin,.	326.1	4111.00	-52.00
Tokyo Electron	295.3	15690.00	395.00
Japan Tobacco .	294.2	4062.00	44.00
Nippon Telegraph And Telephone	267.8	5266.00	-8.00
Fast Retailing Co.,	220.0	37580.00	-420.00
Takeda Pharmaceutical	217.0	5740.00	116.00

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Sumitomo Chemical ,	624.00	20.00	3.31
Tokyo Electron	15690.00	395.00	2.58
Amada Co.,	1374.00	33.00	2.46
Tokyo Gas Co.,	571.70	12.40	2.22
Ajinomoto Co.,.	2378.50	51.50	2.21
Downs			
Thb Dai-ichi Life Insurance ,	1858.00	-76.50	-3.95
Pioneer	202.00	-8.00	-3.81
Dainippon Sumitomo Pharma Co.,	1751.00	-66.00	-3.63
T&d Holdings, .	1569.00	-58.50	-3.59
Pacific Metals Co.,	302.00	-11.00	-3.51

Based on the constituents of the Nikkei 225 index

UK MARKET WINNERS AND LOSERS

FTSE 100	May 17 price(p)	%Chg week	%Chg ytd
Winners			
Fresnillo	1606.00	12.2	31.5
Astrazeneca	5255.00	11.5	18.4
Randgold Resources Ld	7470.00	8.3	16.4
Vodafone	221.35	7.1	10.7
Antofagasta	805.50	6.8	20.3
Kingfisher	365.70	4.7	4.0
Rio Tinto	3095.50	4.4	-1.6
Reckitt Benckiser	7611.00	4.2	10.0
Royal Dutch Shell	2250.50	3.7	-4.5
British American Tobacco	5480.00	3.6	19.2
Standard Chartered	750.10	3.5	14.5
Mediclinic Int	858.50	3.4	11.3
Losers			
Hikma Pharmaceuticals	1717.00	-12.6	-9.7
Easyjet	1222.00	-7.0	20.7
Hargreaves Lansdown	1347.00	-6.9	11.0
Admiral	1999.00	-5.3	9.2
Centrica	193.40	-4.8	-17.4
Tui Ag	1130.00	-4.4	-3.0
Schroders	3141.00	-4.0	4.9
Crh	2774.00	-3.7	-2.0
Pearson	695.50	-3.2	-14.7
Direct Line Insurance	350.20	-2.8	-5.7
Carnival	4676.00	-2.8	13.4
Next	4300.00	-2.7	-14.0

FTSE 250	May 17 price(p)	%Chg week	%Chg ytd
Winners			
Sophos	395.40	15.5	51.0
Kaz Minerals	478.70	9.8	35.6
Acacia Mining	438.10	9.5	16.3
Hochschild Mining	280.70	8.9	29.9
Countryside Properties	300.10	7.4	18.9
Ocado	288.00	7.3	8.4
Euromoney Institutional Investor	1119.00	7.1	-2.3
Metro Bank	3660.00	6.8	25.3
Polymetal Int	1069.00	6.7	24.2
Sig	131.90	6.6	28.1
Centamin	164.90	5.6	18.1
Inmarsat	804.00	5.5	7.8
Losers			
Vectura	121.90	-15.4	-10.6
Petrofac	701.50	-14.1	-19.6
Pets At Home	159.50	-10.0	-33.0
Carillion	201.10	-9.5	-15.0
Ted Baker	2500.00	-8.3	-12.0
Btg	671.50	-7.6	13.3
Dunelm	591.50	-6.8	-26.3
Evraz	188.50	-6.3	-14.2
Grafton	743.00	-6.2	35.1
Halfords	356.30	-5.7	-3.4
Supergroup	1561.00	-5.5	-5.4
Mitchells & Butlers	258.00	-5.4	3.6

FTSE SmallCap	May 17 price(p)	%Chg week	%Chg ytd
Winners			
Sepura	19.00	35.7	0.0
Nanoco	39.75	23.3	-11.7
Stobart Ld	262.50	14.1	47.3
Ncc	157.75	12.7	-12.7
Ranger Direct Lending Fund	888.00	11.4	-12.3
Boot (henry)	278.75	10.3	39.0
Forterra	263.00	6.8	50.2
Wanton	295.50	6.6	20.1
Zotefoams	311.50	6.2	24.0
Biffa	199.75	4.9	11.7
Lindsell Train Investment Trust	787.50	4.8	-11.8
On The Beach	384.50	4.6	43.4
Losers			
Lonmin	102.00	-11.5	-27.9
Trinity Mirror	109.00	-9.9	2.8
Communisis	48.00	-9.0	10.7
Georgia Healthcare	342.00	-7.6	-4.2
Soco Int	135.00	-7.0	-14.9
Aberforth Geared ome Trust	240.75	-6.8	24.6
Novae	571.00	-6.7	-16.9
Countrywide	171.75	-6.5	-2.6
St. Ives	48.50	-6.3	-62.0
Ite	164.25	-5.9	7.4
Spirent Communications	118.75	-5.7	21.2
Fenner	306.75	-5.6	29.8

Industry Sectors	May 17 price(p)	%Chg week	%Chg ytd
Winners			
Mobile Telecommunications	4995.78	7.1	10.6
Pharmaceuticals & Biotech.	14642.39	4.2	8.6
Mining	14845.23	3.3	0.3
Oil & Gas Producers	8064.92	3.2	-5.0
Household Goods	18735.65	2.7	17.0
Tobacco	60568.45	2.2	14.5
Beverages	18679.16	2.1	11.6
Health Care Equip.& Services	8212.24	1.6	12.0
Personal Goods	35950.42	1.3	22.2
Banks	4350.02	1.0	5.1
Industrial Transportation	3106.85	0.8	1.7
Software & Computer Services	2099.61	0.6	10.8
Losers			
Industrial Metals	2150.12	-3.8	-4.2
Construction & Materials	6839.47	-3.4	0.3
Oil Equipment & Services	15228.16	-3.0	-6.6
Electronic & Electrical Equip.	5818.05	-2.1	18.4
General Industrials	5932.75	-1.8	7.4
Life Insurance	8299.00	-1.7	4.8
Nonlife Insurance	2965.04	-1.4	7.8
Industrial Engineering	11430.80	-1.3	11.4
Automobiles & Parts	8192.58	-1.3	5.5
Aerospace & Defense	5233.27	-1.2	12.7
Travel & Leisure	9628.83	-1.1	10.0
General Financial	10447.43	-1.0	12.3

Based on last week's performance. †Price at suspension.

CURRENCIES

May 17	Currency	DOLLAR Closing Mid	DOLLAR Day's Change	EURO Closing Mid	EURO Day's Change	POUND Closing Mid	POUND Day's Change
Argentina	Argentine Peso	15.6100	0.0385	17.3997	0.1410	20.2501	0.1340
Australia	Australian Dollar	1.3466	0.0014	1.5010	0.0100	1.7469	0.0090
Bahrain	Bahrainin Dinar	0.3770	-	0.4202	0.0024	0.4891	0.0020
Bolivia	Bolivian Boliviano	6.9100	-	7.7023	0.0435	8.9640	0.0373
Brazil	Brazilian Real	3.1072	0.0123	3.4634	0.0333	4.0308	0.0327
Canada	Canadian Dollar	1.3599	-0.0008	1.5158	0.0077	1.7641	0.0064
Chile	Chilean Peso	668.4050	2.6100	745.0398	7.1042	867.0900	6.9786
China	Chinese Yuan	6.8910	0.0013	7.6811	0.0449	8.9394	0.0389
Colombia	Colombian Peso	2887.7700	17.1650	3218.8631	37.2199	3746.1672	37.7579
Costa Rica	Costa Rican Colon	572.6250	1.5000	638.2783	5.2705	742.8392	5.0278
Czech Republic	Czech Koruna	23.7187	-0.1195	26.4381	0.0170	30.7691	-0.0264
Denmark	Danish Krone	6.6741	-0.0376	7.4393	0.0004	8.6580	-0.0126
Egypt	Egyptian Pound	18.0935	0.0030	20.1680	0.1173	23.4718	0.1015
Hong Kong	Hong Kong Dollar	7.7875	-0.0016	8.6804	0.0473	10.1024	0.0400
Hungary	Hungarian Forint	277.0915	-1.7465	308.8609	-0.1899	359.4576	-0.7610
India	Indian Rupee	64.1450	0.0575	71.4994	0.4679	83.2123	0.4204
Indonesia	Indonesian Rupiah	13323.5000	23.0000	14851.0955	109.4430	17283.9634	101.6262
Israel	Israeli Shekel	3.6103	0.0084	4.0242	0.0321	4.6834	0.0304
Japan	Japanese Yen	111.3050	-1.7000	124.0665	-1.1829	144.3907	-1.5955
..One Month		111.3049	-1.7002	124.0665	-1.1828	144.3906	-1.5956
..Three Month		111.3045	-1.7009	124.0666	-1.1827	144.3905	-1.5959
..One Year		111.3030	-1.7040	124.0667	-1.1825	144.3906	-1.5965
Kenya	Kenyan Shilling	103.2000	-0.2000	115.0322	0.4286	133.8765	0.2985
Kuwait	Kuwaiti Dinar	0.3040	-0.0005	0.3388	0.0014	0.3943	0.0011
Malaysia	Malaysian Ringgit	4.3230	0.0015	4.8186	0.0289	5.6080	0.0253
Mexico	Mexican Peson	18.6548	0.0483	20.7936	0.1710	24.1999	0.1630
New Zealand	New Zealand Dollar	1.4429	-0.0082	1.6083	0.0000	1.8718	-0.0028
Nigeria	Nigerian Naira	314.7500	-0.5000	350.8371	1.4290	408.3102	1.0525
Norway	Norwegian Krone	8.3845	-0.0939	9.3458	-0.0512	10.8767	-0.0761
Pakistan	Pakistani Rupee	104.8250	0.0100	116.8435	0.6716	135.9845	0.5786
Peru	Peruvian Nuevo Sol	3.2680	0.0105	3.6427	0.0322	4.2394	0.0312
Philippines	Philippine Peso	49.7645	0.0730	55.4702	0.3945	64.5571	0.3628
Poland	Polish Zloty	3.7548	-0.0282	4.1853	-0.0077	4.8709	-0.0162
Romania	Romanian Leu	4.0934	-0.0105	4.5627	0.0141	5.3102	0.0085
Russia	Russian Ruble	56.9157	0.5544	63.4412	0.9731	73.8340	1.0233
Saudi Arabia	Saudi Riyal	3.7505	0.0001	4.1805	0.0238	4.8653	0.0204
Singapore	Singapore Dollar	1.3912	-0.0036	1.5507	0.0048	1.8047	0.0029
South Africa	South African Rand	13.2088	0.1188	14.7232	0.2148	17.1351	0.2247
South Korea	South Korean Won	1118.2500	2.2000	1246.4610	9.4840	1450.6526	8.8764
Sweden	Swedish Krona	8.7448	-0.0528	9.7474	-0.0035	11.3442	-0.0211
Switzerland	Swiss Franc	0.9790	-0.0082	1.0912	-0.0029	1.2700	-0.0053
Taiwan	New Taiwan Dollar	30.1110	0.0195	33.5633	0.2113	39.0616	0.1877
Thailand	Thai Baht	34.5350	-0.0080	38.4945	0.2087	44.8006	0.1760
Tunisia	Tunisian Dinar	2.4083	-0.0083	2.6844	0.0060	3.1241	0.0023
Turkey	Turkish Lira	3.5608	0.0073	3.9691	0.0305	4.6193	0.0286
United Arab Emirates	UAE Dirham	3.6730	-	4.0941	0.0231	4.7648	0.0198
United Kingdom	Pound Sterling	0.7709	-0.0032	0.8592	0.0013	-	-
..One Month		0.7710	-0.0032	0.8592	0.0013	-	-
..Three Month		0.7712	-0.0032	0.8591	0.0013	-	-
..One Year		0.7723	-0.0032	0.8585	0.0013	-	-
United States	United States Dollar	-	-	1.1147	0.0063	1.2973	0.0054
..One Month		-	-	1.1145	-0.1772	1.2974	0.0054
..Three Month		-	-	1.1141	-0.1772	1.2976	0.0054
..One Year		-	-	1.1124	-0.1772	1.2987	0.0054
Venezuela	Venezuelan Bolivar Fuerte	10.1404	0.1504	11.3030	0.2305	13.1546	0.2490
Vietnam	Vietnamese Dong	22683.5000	-0.5000	25284.2583	142.3321	29426.3048	121.7602
European Union	Euro	0.8971	-0.0051	-	-	1.1638	-0.0017
..One Month		0.8970	-0.0051	-	-	1.1638	-0.0017
..Three Month		0.8966	-0.0051	-	-	1.1636	-0.0018
..One Year		0.8949	-0.0051	-	-	1.1631	-0.0018

Rates are derived from WM Reuters Spot Rates and MorningStar (latest rates at time of production). Some values are rounded. Currency redenominated by 1000. The exchange rates printed in this table are also available at www.FT.com/marketsdata

FTSE ACTUARIES SHARE INDICES

UK SERIES www.ft.com/equities

Produced in conjunction with the Institute and Faculty of Actuaries

	£ Strlg May 17	Day's chge%	Euro Index	£ Strlg May 16	£ Strlg May 15	Year ago	Div yield%	Cover	P/E ratio	X/D adj	Total Return
FTSE 100 (100)	7503.47	-0.25	6792.06	7522.03	7454.37	6165.80	3.64	0.93	29.49	118.66	6218.11
FTSE 250 (250)	19773.59	-0.51	17898.84	19875.89	19751.01	16881.24	2.66	1.77	21.23	203.29	14304.13
FTSE 250 ex Inv Co (207)	21195.81	-0.49	19186.21	21299.97	21175.37	18328.56	2.70	1.81	20.44	224.02	15643.67
FTSE 350 (350)	4158.30	-0.29	3764.04	4170.50	4134.92	3439.67	3.47	1.04	27.65	61.82	6925.11
FTSE 350 ex Investment Trusts (306)	4124.73	-0.28	3733.66	4136.37	4101.10	3416.11	3.50	1.04	27.58	62.07	3538.53
FTSE 350 Higher Yield (122)	3880.79	-0.18	3512.85	3887.95	3853.25	3163.95	4.69	0.76	27.98	77.03	6756.06
FTSE 350 Lower Yield (228)	4034.07	-0.42	3651.60	4051.18	4018.51	3387.22	2.01	1.82	27.27	35.81	4404.87
FTSE SmallCap (279)	5620.67	-0.20	5087.77	5632.03	5629.75	4560.27	2.73	1.20	30.50	54.09	8015.84
FTSE SmallCap ex Inv Co (148)	5022.25	-0.06	4546.08	5025.12	5034.10	4171.38	2.84	1.53	23.11	45.52	7521.35
FTSE All-Share (629)	4101.20	-0.29	3712.36	4113.10	4079.22	3390.18	3.44	1.05	27.75	60.19	6905.96
FTSE All-Share ex Inv Co (454)	4047.98	-0.28	3664.18	4059.21	4025.42	3352.81	3.49	1.04	27.48	60.44	3529.23
FTSE All-Share ex Multinationals (569)	1238.07	-0.16	928.84	1240.11	1232.85	1131.26	2.98	1.35	24.95	13.50	2203.12
FTSE Fledgling (94)	9934.50	-0.44	8992.60	9978.86	9963.74	7664.75	2.44	1.83	22.40	94.33	18535.69
FTSE Fledgling ex Inv Co (45)	14023.96	-0.55	12694.34	14102.22	14088.65	10483.54	2.83	2.92	12.10	152.50	25544.09
FTSE All-Small (373)	3908.36	-0.21	3537.81	3916.75	3914.94	3162.71	2.71	1.23	29.95	37.58	7155.01
FTSE All-Small ex Inv Co Index (193)	3763.22	-0.08	3406.43	3766.12	3772.43	3112.00	2.84	1.58	22.31	34.38	7140.49
FTSE AIM All-Share Index (800)	976.89	-0.11	884.27	977.92	976.78	725.13	1.60	0.75	83.49	4.93	1073.46
FTSE Sector Indices											
Oil & Gas (16)	**8475.95**	**0.66**	**7672.34**	**8420.55**	**8346.14**	**6675.17**	**6.00**	**0.41**	**40.72**	**178.61**	**7773.37**
Oil & Gas Producers (9)	8109.54	0.66	7340.67	8056.04	7983.86	6367.75	6.06	0.42	39.09	171.45	7697.33
Oil Equipment Services & Distribution (7)	15935.76	0.45	14424.88	15864.22	15788.85	13785.99	4.06	-0.24	-104.82	301.06	12434.55
Basic Materials (28)	**5144.83**	**-0.72**	**4657.04**	**5182.19**	**5108.53**	**3274.47**	**2.42**	**1.32**	**31.34**	**90.92**	**5257.02**
Chemicals (7)	14251.94	-1.30	12900.70	14439.05	14322.08	11740.09	2.13	1.89	24.81	95.63	12687.47
Forestry & Paper (1)	23789.15	-0.83	21533.67	23988.96	24012.46	15549.92	2.38	3.36	12.50	375.43	25950.40
Industrial Metals & Mining (2)	2316.03	-1.65	2096.44	2354.81	2299.68	1235.83	0.56	21.48	8.29	13.01	2032.16
Mining (18)	14228.53	-0.64	12879.50	14319.65	14094.84	8739.36	2.48	1.10	36.67	273.28	7616.37
Industrials (112)	**5409.53**	**-1.10**	**4896.65**	**5469.63**	**5427.59**	**4374.01**	**2.23**	**0.84**	**53.09**	**45.82**	**5565.00**
Construction & Materials (15)	7092.91	-2.77	6420.42	7294.67	7294.52	5301.15	2.16	0.39	119.93	98.80	7532.55
Aerospace & Defense (9)	5426.96	-1.31	4912.43	5499.15	5419.42	4217.62	2.21	-2.16	-20.99	63.69	5828.27
General Industrials (5)	4831.68	-0.97	4373.58	4879.23	4849.80	3724.44	2.72	1.20	30.71	56.24	5490.75
Electronic & Electrical Equipment (10)	7415.29	-2.68	6712.24	7619.79	7610.68	5444.35	1.68	1.93	30.76	19.44	6729.06
Industrial Engineering (12)	12575.45	-1.83	11383.15	12810.05	12654.41	8636.08	2.10	1.43	33.23	161.52	15345.52
Industrial Transportation (7)	4965.64	0.67	4494.84	4932.72	4894.39	4324.31	3.92	1.13	22.63	47.18	4403.33
Support Services (54)	7651.36	-0.48	6925.93	7688.62	7631.57	6577.02	2.12	1.84	25.62	39.97	7909.73
Consumer Goods (38)	**22662.91**	**0.13**	**20514.22**	**22634.33**	**22304.55**	**18862.59**	**2.80**	**1.84**	**19.45**	**320.84**	**16707.63**
Automobiles & Parts (1)	8234.56	-0.54	7453.83	8279.21	8211.06	6450.88	2.53	1.89	20.91	138.65	7937.47
Beverages (5)	18705.98	0.07	16932.45	18693.40	18345.54	15560.77	2.54	1.54	25.66	175.38	13176.41
Food Producers (8)	8503.55	0.18	7697.32	8488.34	8419.05	8350.54	1.91	1.93	27.16	9.11	7279.30
Household Goods & Home Construction (15)	15692.71	1.15	14204.86	15513.95	15326.54	14075.89	2.37	2.53	16.68	203.53	11069.65
Leisure Goods (1)	5705.97	0.00	5164.98	5705.97	5697.48	5233.29	3.79	1.34	19.71	104.95	5149.20
Personal Goods (6)	31331.85	-0.25	28361.24	31410.54	31142.99	23261.68	2.64	3.03	12.51	370.93	21124.31
Tobacco (2)	60568.55	-0.27	54825.98	60735.11	59646.73	49700.97	3.37	1.24	23.88	1195.57	39119.00
Health Care (21)	**10773.96**	**-0.36**	**9752.47**	**10812.77**	**10716.70**	**8974.52**	**3.26**	**0.71**	**43.01**	**208.49**	**8319.03**
Health Care Equipment & Services (9)	8324.57	-0.64	7535.31	8377.96	8276.36	6479.60	1.29	3.60	21.38	[illegible]	[illegible]
Pharmaceuticals & Biotechnology (12)	14533.13	-0.33	13155.23	14580.70	14457.01	12100.34	3.49	0.64	44.55	300.97	10005.38
Consumer Services (94)	**5101.92**	**-0.10**	**4618.20**	**5106.91**	**5082.68**	**4674.26**	**2.55**	**2.04**	**19.20**	**51.31**	**4776.67**
Food & Drug Retailers (7)	3132.44	1.17	2835.46	3096.12	3074.83	2761.10	1.31	2.25	33.92	14.20	3651.91
General Retailers (30)	2620.49	0.18	2372.04	2615.79	2599.30	2730.65	2.96	2.18	15.47	17.16	2977.72
Media (21)	7913.16	-0.54	7162.91	7955.83	7921.40	7198.17	2.92	1.83	18.70	93.25	4871.65
Travel & Leisure (36)	9412.48	-0.22	8520.07	9433.24	9410.13	8235.82	2.43	2.13	19.29	110.58	8906.56
Telecommunications (6)	**3423.11**	**0.53**	**3098.56**	**3405.00**	**3298.13**	**3923.36**	**5.17**	**-0.01**	**-1306.9**	**4.42**	**3768.89**
Fixed Line Telecommunications (4)	3626.44	-0.24	3282.61	3635.10	3564.42	5076.94	4.83	1.20	17.32	0.00	3269.47
Mobile Telecommunications (2)	4988.22	0.88	4515.28	4944.65	4762.68	5149.43	5.32	-0.51	-37.04	9.33	4935.68
Utilities (7)	**8851.53**	**0.69**	**8012.31**	**8791.03**	**8770.11**	**8579.85**	**4.60**	**1.71**	**12.70**	**83.90**	**9975.16**
Electricity (2)	8647.58	1.07	7827.69	8556.26	8511.09	8860.03	5.68	2.02	8.72	149.05	12356.11
Gas Water & Multiutilities (5)	8414.40	0.60	7616.62	8364.51	8350.45	8033.24	4.33	1.62	14.29	63.82	9487.79
Financials (298)	**5094.71**	**-0.86**	**4611.67**	**5138.65**	**5127.73**	**4081.44**	**3.52**	**1.08**	**26.30**	**86.67**	**4719.16**
Banks (12)	4295.43	-0.72	3888.17	4326.43	4309.55	3183.34	4.04	0.64	38.99	82.01	3175.12
Nonlife Insurance (10)	3379.56	0.02	3059.14	3378.81	3380.07	2884.73	3.18	1.69	18.56	60.87	5866.72
Life Insurance/Assurance (10)	8419.96	-1.63	7621.65	8559.57	8557.88	6945.43	3.08	1.26	25.59	210.60	8271.04
Index - Real Estate Investment & Services (20)	2757.57	-0.46	2496.12	2770.31	2765.67	2719.17	2.48	1.92	20.96	28.27	7359.25
Real Estate Investment Trusts (31)	2778.00	-1.12	2514.62	2809.61	2805.01	2814.25	3.49	1.56	18.35	44.03	3460.91
General Financial (29)	8932.62	-0.74	8085.70	8998.81	9057.60	7380.97	3.26	2.10	14.60	88.13	10191.88
Equity Investment Instruments (175)	9538.41	-0.58	8634.07	9593.62	9533.66	7526.74	2.40	1.16	35.92	84.64	5203.44
Non Financials (339)	**4848.10**	**-0.09**	**4388.44**	**4852.50**	**4802.11**	**4052.42**	**3.42**	**1.03**	**28.29**	**57.20**	**7142.13**
Technology (17)	**2041.13**	**0.72**	**1847.61**	**2026.59**	**2040.55**	**1380.99**	**2.22**	**1.21**	**37.14**	**26.06**	**2625.91**
Software & Computer Services (12)	2339.18	0.87	2117.40	2319.03	2334.32	1854.49	2.11	1.46	32.48	31.14	3179.39
Technology Hardware & Equipment (5)	1841.35	-0.83	1666.77	1856.83	1875.24	1457.27	3.31	-0.40	-75.07	12.16	2158.73

Hourly movements	8.00	9.00	10.00	11.00	12.00	13.00	14.00	15.00	16.00	High/day	Low/day
FTSE 100	7494.99	7521.82	7525.56	7522.60	7520.38	7516.24	7502.78	7491.34	7483.61	7532.74	7478.90
FTSE 250	19829.48	19816.23	19815.43	19849.60	19841.84	19842.80	19825.61	19763.33	19742.37	19857.72	19737.14
FTSE SmallCap	5640.19	5635.99	5638.35	5642.70	5639.28	5641.49	5639.49	5622.81	5622.87	5642.70	5618.50
FTSE All-Share	4099.92	4111.08	4112.75	4112.74	4111.44	4109.69	4103.17	4095.74	4091.54	4116.15	4089.48

Time of FTSE 100 Day's high:08:16:00 Day's Low15:58:00 FTSE 100 2010/11 High: 7522.03(16/05/2017) Low: 7099.15(31/01/2017)
Time of FTSE All-Share Day's high:08:16:00 Day's Low14:58:00 FTSE 100 2010/11 High: 4113.10(16/05/2017) Low: 3858.26(31/01/2017)
Further information is available on http://www.ftse.com © FTSE International Limited. 2013. All Rights reserved. "FTSE®" is a trade mark of the London Stock Exchange Group companies and is used by FTSE International Limited under licence. † Sector P/E ratios greater than 80 are not shown. For changes to FTSE Fledgling Index constituents please refer to www.ftse.com/indexchanges. ‡ Values are negative.

FT 30 INDEX

	May 17	May 16	May 15	May 12	May 11	Yr Ago	High	Low
FT 30	3322.90	3332.60	3304.70	3305.60	3294.80	0.00	3339.20	3060.90
FT 30 Div Yield	1.49	1.48	1.50	1.50	1.51	0.00	3.93	2.74
P/E Ratio net	30.00	30.08	29.69	29.75	29.63	0.00	19.44	14.26

FT 30 since compilation: 4198.4 high: 19/07/1999; low49.4 26/06/1940Base Date: 1/7/35

FT 30 hourly changes

8	9	10	11	12	13	14	15	16	High	Low
3332.6	3329.6	3334.1	3335.3	3335.7	3333.7	3328.6	3322.7	3317.4	3337.9	3315.8

FT30 constituents and recent additions/deletions can be found at www.ft.com/ft30

FX: EFFECTIVE INDICES

	May 16	May 15	Mnth Ago		May 17	May 16	Mnth Ago
Australia	93.17	93.40	95.02	Sweden	76.78	77.14	76.95
Canada	86.33	86.13	88.73	Switzerland	159.75	159.39	161.91
Denmark	108.61	108.28	107.30	UK	78.53	78.99	77.83
Japan	136.88	136.59	143.73	USA	104.28	104.87	104.24
New Zealand	115.67	116.05	117.17	Euro	90.67	90.06	87.79
Norway	87.46	87.34	89.27				

Source: Bank of England. New Sterling ERI base Jan 2005 = 100. Other indices base average 1990 = 100. Index rebased 1/2/95. for further information about ERIs see www.bankofengland.co.uk

FTSE SECTORS: LEADERS & LAGGARDS

Year to date percentage changes

Electronic & Elec Eq	22.12	FTSE 250 Index	9.33	FTSE 100 Index	4.10
Personal Goods	21.38	FTSE SmallCap Index	9.33	Banks	4.08
Forestry & Paper	20.89	Equity Invest Instr	9.01	Consumer Services	4.08
Household Goods & Ho	14.04	Health Care	8.93	General Retailers	2.69
Consumer Goods	13.63	Technology	8.79	Leisure Goods	2.44
Tobacco	13.59	Pharmace & Biotech	8.64	Utilities	1.74
Financial Services	13.38	Nonlife Insurance	8.23	Media	0.10
Aerospace & Defense	13.27	Financials	6.69	Basic Materials	-0.71
Industrial Eng	12.18	Life Insurance	6.44	Telecommunications	-2.25
Real Est Invest & Se	11.22	Real Est Invest & Tr	6.03	Mining	-2.79
Health Care Eq & Srv	11.21	Mobile Telecomms	5.42	Food & Drug Retailer	-4.27
Travel & Leisure	10.85	Construct & Material	5.41	Tech Hardware & Eq	-5.81
Software & Comp Serv	10.59	FTSE All{HY-}Share Index	5.11	Oil Equipment & Serv	-6.30
Beverages	10.38	Food Producers	4.79	Industrial Metals &	-6.70
Industrials	10.36	NON FINANCIALS Index	4.57	Oil & Gas	-7.18
Support Services	10.27	Gas Water & Multi	4.30	Oil & Gas Producers	-7.20
Chemicals	9.76	Automobiles & Parts	4.22	Electricity	-7.65
		Industrial Transport	4.22	Fixed Line Telecomms	-15.47

FTSE GLOBAL EQUITY INDEX SERIES

May 16 Regions & countries	No of stocks	US $ indices	Day %	Mth %	YTD %	Total retn	YTD %	Gr Div Yield
FTSE Global All Cap	7726	524.53	0.3	4.1	9.5	743.79	10.6	2.3
FTSE Global Large Cap	1441	461.71	0.3	4.2	9.7	671.52	11.0	2.5
FTSE Global Mid Cap	1645	706.68	0.2	3.9	9.7	950.96	10.6	2.0
FTSE Global Small Cap	4640	740.74	0.2	3.7	7.8	965.04	8.5	1.9
FTSE All-World	3086	306.13	0.3	4.2	9.7	458.52	10.9	2.4
FTSE World	2543	542.04	0.3	4.3	9.6	1090.28	10.7	2.4
FTSE Global All Cap ex UNITED KINGDOM In	7398	543.06	0.2	4.0	9.4	758.46	10.5	2.3
FTSE Global All Cap ex USA	5826	477.48	0.6	5.3	12.4	724.45	13.9	2.8
FTSE Global All Cap ex JAPAN	6439	537.13	0.2	4.1	9.7	768.63	10.8	2.4
FTSE Global All Cap ex Eurozone	7077	539.44	0.2	3.4	8.6	750.38	9.6	2.3
FTSE Developed	2102	491.37	0.3	4.2	9.3	702.79	10.4	2.4
FTSE Developed All Cap	5670	516.50	0.3	4.2	9.0	729.86	10.1	2.3
FTSE Developed Large Cap	916	453.46	0.3	4.3	9.2	658.47	10.5	2.4
FTSE Developed Europe Large Cap	227	364.38	1.0	8.6	14.1	608.45	16.5	3.3
FTSE Developed Europe Mid Cap	314	579.48	0.7	8.1	17.7	865.69	19.3	2.5
FTSE Dev Europe Small Cap	709	819.78	0.8	8.4	18.2	1185.27	19.5	2.4
FTSE North America Large Cap	295	513.20	-0.1	2.9	7.3	696.84	8.2	2.1
FTSE North America Mid Cap	388	758.01	-0.2	2.0	5.6	958.24	6.2	1.7
FTSE North America Small Cap	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE North America	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE Developed ex North America	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE Japan Large Cap	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE Japan Mid Cap	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE Global wi JAPAN Small Cap	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE Japan	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE Asia Pacific Large Cap ex Japan	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE Asia Pacific Mid Cap ex Japan	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE Asia Pacific Small Cap ex Japan	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE Asia Pacific Ex Japan	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE Emerging All Cap	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE Emerging Large Cap	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE Emerging Mid Cap	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE Emerging Small Cap	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE Emerging Europe	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE Latin America All Cap	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE Middle East and Africa All Cap	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE Global wi UNITED KINGDOM All Cap In	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE Global wi USA All Cap	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE Europe All Cap	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE Eurozone All Cap	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE RAFI All World 3000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE RAFI US 1000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE EDHEC-Risk Efficient All-World	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE EDHEC-Risk Efficient Developed Europe	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Oil & Gas	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

May 16 Sectors	No of stocks	US $ indices	Day %	Mth %	YTD %	Total retn	YTD %	Gr Div Yield
Oil & Gas Producers	108	337.36	0.1	0.1	-4.0	552.11	-2.8	3.7
Oil Equipment & Services	28	320.77	-0.6	-0.6	-8.3	465.61	-7.4	3.1
Basic Materials	260	457.80	0.6	0.6	8.5	697.24	9.9	2.4
Chemicals	124	697.00	0.5	0.5	10.6	1067.11	12.0	2.4
Forestry & Paper	15	265.34	0.8	0.8	11.4	450.23	13.6	2.9
Industrial Metals & Mining	68	376.06	0.5	0.5	3.8	568.89	4.6	2.1
Mining	53	541.04	1.1	1.1	5.5	821.96	7.1	2.3
Industrials	547	367.51	0.3	0.3	10.9	527.91	12.0	2.0
Construction & Materials	113	518.53	0.4	0.4	12.6	779.10	13.8	2.0
Aerospace & Defense	26	639.20	0.3	0.3	13.1	909.68	14.1	2.1
General Industrials	57	245.45	0.0	0.0	4.3	380.39	5.4	2.5
Electronic & Electrical Equipment	71	401.54	0.6	0.6	16.8	528.48	17.6	1.6
Industrial Engineering	102	717.79	0.6	0.6	13.9	1018.19	15.2	2.0
Industrial Transportation	99	621.00	0.1	0.1	10.3	891.25	11.3	2.2
Support Services	79	323.94	0.4	0.4	9.7	445.19	10.6	1.8
Consumer Goods	429	471.03	0.6	0.6	12.6	694.80	13.9	2.4
Automobiles & Parts	105	388.75	0.6	0.6	5.7	554.65	7.1	2.7
Beverages	45	621.13	0.7	0.7	12.6	927.52	13.5	2.5
Food Producers	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Household Goods & Home Construction	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Leisure Goods	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Personal Goods	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Tobacco	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Health Care	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Health Care Equipment & Services	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Pharmaceuticals & Biotechnology	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Consumer Services	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Food & Drug Retailers	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
General Retailers	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Media	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Travel & Leisure	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Telecommunication	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Fixed Line Telecommuniations	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Mobile Telecommunications	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Utilities	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Electricity	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Gas Water & Multiutilities	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Financials	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Banks	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nonlife Insurance	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Life Insurance	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Financial Services	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Technology	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Software & Computer Services	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Technology Hardware & Equipment	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Alternative Energy	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Real Estate Investment & Services	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Real Estate Investment Trusts	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE Global Large Cap	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

The FTSE Global Equity Series, launched in 2003, contains the FTSE Global Small Cap Indices and broader FTSE Global All Cap Indices (large/mid/small cap) as well as the enhanced FTSE All-World index Series (large/mid cap) - please see www.ftse.com/geis. The trade names Fundamental Index® and RAFI® are registered trademarks and the patented and patent-pending proprietary intellectual property of Research Affiliates, LLC (US Patent Nos. 7,620,577; 7,747,502; 7,778,905; 7,792,719; Patent Pending Publ. Nos. US-2006-0149645-A1, US-2007-0055598-A1, US-2008-0288416-A1, US-2010-0063942-A1, WO 2005/076812, WO 2007/078399 A2, WO 2008/118372, EPN 1733352, and HK1099110). "EDHEC™" is a trade mark of EDHEC Business School As of January 2nd 2006, FTSE is basing its sector indices on the Industrial Classification Benchmark - please see www.ftse.com/icb. For constituent changes and other information about FTSE, please see www.ftse.com. © FTSE International Limited. 2013. All Rights reserved. "FTSE®" is a trade mark of the London Stock Exchange Group companies and is used by FTSE International Limited under licence.

FTSE 100 SUMMARY

FTSE 100	Closing Price	Day's Change	FTSE 100	Closing Price	Day's Change
3I Group PLC	840.50	2.00	London Stock Exchange Group PLC	3427	-51.00
Admiral Group PLC	1999	-	Marks And Spencer Group PLC	375.50	-1.30
Anglo American PLC	1078	-11.50	Mediclinic International PLC	858.50	2.00
Antofagasta PLC	805.50	-1.50	Merlin Entertainments PLC	506.50	3.00
Ashtead Group PLC	1560	-62.00	Micro Focus International PLC	2420	-4.00
Associated British Foods PLC	2882	9.00	Mondi PLC	2024	-17.00
Astrazeneca PLC	5255	7.00	Morrison (Wm) Supermarkets PLC	242.20	-1.70
Aviva PLC	528.00	-6.50	National Grid PLC	1061	8.00
Babcock International Group PLC	919.50	5.00	Next PLC	4300	-22.00
Bae Systems PLC	638.50	-4.50	Old Mutual PLC	196.10	-0.70
Barclays PLC	209.50	-2.10	Paddy Power Betfair PLC	8500	80.00
Barratt Developments PLC	615.00	6.00	Pearson PLC	695.50	8.00
Bhp Billiton PLC	1192	-7.00	Persimmon PLC	2430	29.00
BP PLC	470.50	1.25	Provident Financial PLC	3156	-21.00
British American Tobacco PLC	5480	-25.00	Prudential PLC	1731	-38.00
British Land Company PLC	651.50	-22.50	Randgold Resources LD	7470	150.00
Bt Group PLC	309.05	-0.80	Reckitt Benckiser Group PLC	7611	95.00
Bunzl PLC	2455	-10.00	RELX PLC	1625	-12.00
Burberry Group PLC	1641	-24.00	Rentokil Initial PLC	257.10	-2.30
Carnival PLC	4676	-34.00	Rio Tinto PLC	3095.5	-5.00
Centrica PLC	193.40	0.70	Rolls-Royce Holdings PLC	842.50	-22.50
Coca-Cola Hbc AG	2197	-6.00	Royal Bank Of Scotland Group PLC	258.60	-4.60
Compass Group PLC	1609	-2.00	Royal Dutch Shell PLC	2250.5	22.00
Convatec Group PLC	299.60	-1.60	Royal Dutch Shell PLC	2185	17.00
Crh PLC	2774	-100.00	Royal Mail PLC	430.80	5.30
Croda International PLC	3924	-10.00	Rsa Insurance Group PLC	614.50	1.00
Dcc PLC	7405	135.00	Sage Group PLC	698.00	6.00
Diageo PLC	2330	2.00	Sainsbury (J) PLC	269.10	-0.60
Direct Line Insurance Group PLC	350.20	2.50	Schroders PLC	3141	-65.00
Easyjet PLC	1222	7.00	Scottish Mortgage Investment Trust PLC	385.20	-4.80
Experian PLC	1694	-11.00	Severn Trent PLC	2400	7.00
Fresnillo PLC	1606	43.00	Shire PLC	4731.5	-30.50
Gkn PLC	350.40	-1.90	Sky PLC	998.50	1.50
Glaxosmithkline PLC	1660	-7.50	Smith & Nephew PLC	1325	-7.00
Glencore PLC	290.00	-6.65	Smiths Group PLC	1646	-17.00
Hammerson PLC	583.50	-5.50	Smurfit Kappa Group PLC	2113	-43.00
Hargreaves Lansdown PLC	1347	23.00	Sse PLC	1468	17.00
Hikma Pharmaceuticals PLC	1717	-49.00	St. James's Place PLC	1155	-15.00
HSBC Holdings PLC	678.30	-9.00	Standard Chartered PLC	750.10	-13.00
Imperial Brands PLC	3714	9.00	Standard Life PLC	384.10	-6.40
Informa PLC	642.50	-7.00	Taylor Wimpey PLC	199.60	3.10
Intercontinental Hotels Group PLC	4234	-53.00	Tesco PLC	182.30	3.85
International Consolidated Airlines Group S.A.	592.00	-4.50	Tui AG	1130	11.00
Intertek Group PLC	4197	2.00	Unilever PLC	4154	-2.50
Intu Properties PLC	[illegible]	[illegible]	United Utilities Group PLC	1018	17.50
ITV PLC	[illegible]	[illegible]	Vodafone Group PLC	221.35	1.90
Johnson Matthey PLC	[illegible]	[illegible]	Whitbread PLC	4126	-6.00
Kingfisher PLC	365.70	[illegible]	Wolseley PLC	[illegible]	[illegible]
Land Securities Group PLC	[illegible]	[illegible]	Worldpay Group PLC	[illegible]	[illegible]
Legal & General Group PLC	[illegible]	[illegible]	WPP PLC	1711	[illegible]
Lloyds Banking Group PLC	71.52	[illegible]			

UK STOCK MARKET TRADING DATA

	May 17	May 16	May 15	May 12	May 11	Yr Ago
SEAQ Bargains	5555.00	6367.00	4943.00	4943.00	4943.00	5241.00
Order Book Turnover (m)	792.06	190.27	263.51	263.51	263.51	214.62
Order Book Bargains	1146474.00	958910.00	936174.00	936174.00	936174.00	1142122.00
Order Book Shares Traded (m)	1799.00	1470.00	1423.00	1423.00	1423.00	1708.00
Total Equity Turnover (£m)	10279.52	9754.97	9223.22	9223.22	9223.22	10344.78
Total Mkt Bargains	1278781.00	1093550.00	1049082.00	1049082.00	1049082.00	1284472.00
Total Shares Traded (m)	4826.00	4694.00	4527.00	4527.00	4527.00	4739.00

† Excluding intra-market and overseas turnover. *UK only total at 6pm. ‡ UK plus intra-market turnover. (u) Unavaliable. (c) Market closed.

All data provided by Morningstar unless otherwise noted. All elements listed are indicative and believed accurate at the time of publication. No offer is made by Morningstar or the FT. The FT does not warrant nor guarantee that the information is reliable or complete. The FT does not accept responsibility and will not be liable for any loss arising from the reliance on or use of the listed information.
For all queries e-mail ft.reader.enquiries@morningstar.com

Data provided by Morningstar | www.morningstar.co.uk

UK RIGHTS OFFERS

Issue price	Amount paid up	Latest renun. date	High	Low	Stock	Closing Price p	+or-

There are currently no rights offers by any companies listed on the LSE.

UK COMPANY RESULTS

Company		Turnover		Pre-tax		EPS(p)		Div(p)		Pay day	Total	
Altitude Group	Pre	4.323	4.535	0.073	0.017	2.91L	-	1.6	-	-	-	-
Baring Emerging Europe	Int	17.778	15.365	0.21	1.87	13	-	-	-	-	13	-
Brewin Dolphin Holdings	Int	147.185	136.031	28.382	21.517	8.2	6.3	4.25	3.85	Jun 16	13.4	12.055
British Land Co	Pre	589	590	195	1331	18.8	131.2	7.3	7.09	Aug 4	14.6	14.18
Countryside Properties	Int	351.1	286.2	60.3	18.1	11.1	3.1	3.4	-	Jul 7	6.8	-
Diploma	Int	217.3	179.1	32.9	25.6	21	16	7	6.2	Jun 14	7	6.2
Mitchells & Butlers	Int	1123	1096	75	83	13.7	18.4	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
NEX Group	Pre	543	460	14.2	27	35.6	8.5	27	26.94998	Jul 21	38.55	38.5
Patisserie Holdings	Pre	55.488	49.984	9.701	8.285	5.38	4.68	1.2	-	Jul 7	1.2	-
Reck Pharma	Int	-	-	10.986L	6.744L	10.7L	11	-	-	-	-	-
Sophos Group	Int	529.7	478.2	49.31L	68.4L	0.103L	0.164L	3.3	1.231	Oct 13	4.6	1.9
SSE	Pre	29037.9	28781.3	1776.6	593.3	158.4	46.1	63.9	62.5	Sep 22	91.3	89.4
Synairgen	Pre	0.025	3.404L	2.559L	3.08L	2.3L	-	-	-	-	-	-
Victrex	Int	130.9	117	50.1	47.5	46.4	45.5	12.2	11.73	Jun 30	47.29	46.628

Figures in £m. Earnings shown basic. Figures in light text are for corresponding period year earlier.
For more information on dividend payments visit www.ft.com/marketsdata

UK RECENT EQUITY ISSUES

Issue date	Issue price(p)	Sector	Stock code	Stock	Closing price(p)	+/-	High	Low	Mkt Cap (£m)
05/09	100.00		DSM	Downing Strategic Micro-Cap Investment Trust PLC	107.75	-0.38	109.50	100.00	5990.9
04/25	165.00	AIM	ESL	Eddie Stobart Logistics PLC	161.50	-0.16	165.00	158.00	57803.9
04/12	165.00	AIM	TEG	Ten Entertainment Group PLC	166.75	0.28	172.00	160.00	10838.8
04/05	190.00	AIM	K3C	K3 Capital Group PLC	113.00	0.00	195.00	113.00	4027.8
03/28	196.00	AIM	AFX	Alpha FX Group PLC	362.50	0.50	384.50	220.00	11876.2

§Placing price. *Introduction. ‡When issued. Annual report/prospectus available at www.ft.com/ir
For a full explanation of all the other symbols please refer to London Share Service notes.

MARKET DATA

FT500: THE WORLD'S LARGEST COMPANIES

Stock	Price	Day Chg	52 Week High	52 Week Low	Yld	P/E	MCap m
Denmark (kr)							
DanskeBk	250.60	-5.60	259.30	161.80	3.58	11.69	35176.13
MollerMrsk	12350	-250.00	12770	7775	2.60	-18.95	18616.29
NovoB	269.20	-5.70	384.80	218.20	3.51	18.16	79160.08
Indonesia (Rp)							
Bk Cent Asia	16950	-	18550	12625	1.07	19.11	31365.86
Israel (ILS)							
TevaPha	115.90	1.50	217.70	109.00	4.20	18.70	32637.29
Italy (€)							
Enel	4.63	-0.05	4.71	3.54	3.48	15.85	52446.04
ENI	14.82	-0.23	15.92	12.18	5.44	-5.53	60033.69
Generali	14.90	-0.09	16.00	9.76	4.80	11.36	25939.03
IntSPaolo	2.80	-0.04	2.90	1.52	4.97	22.98	49463.5
Luxottica	53.85	-1.25	56.90	39.92	1.64	30.62	29078.56
Unicred	16.37	-0.73	31.40	11.93	3.66	-1.64	40611.93
South Korea (KRW)							
HyundMobis	252500	3000	293500	212000	1.44	11.16	21980.17
KoreaElePwr	42750	800.00	63600	40050	4.50	4.01	24541.89
SK Hynix	54700	-600.00	58100	25650	1.14	9.08	35610.76
SmsungEl	2317000	-2000.00	2361000	1249000	0.92	17.40	289372.4
Spain (€)							
BBVA	7.30	-0.14	7.89	4.50	5.05	12.87	54256.39
BcoSantdr	5.96	-0.18	6.35	3.15	3.43	14.25	96842.78
CaixaBnk	4.16	-0.17	4.47	1.82	3.58	23.35	27742.33
Iberdrola	6.82	-0.05	6.92	4.80	6.06	16.17	49086.82
Inditex	36.01	-0.46	36.60	27.18	1.34	35.09	125080.88
Repsol	14.80	-0.18	15.07	9.60	4.22	13.24	24686
Telefonica	9.85	-0.22	10.63	7.45	7.48	21.06	55317.37
Venezuela (VEF)							
Bco de Vnzla	750.00	-50.00	800.00	93.00	-	-	3777.23
Bco Provncl	9001	300.99	9001	2200	-	37.70	1338.37
Mrcntl Srvcs	26000	2000	27000	4500	0.02	129.61	2182.79

Closing prices and highs & lows are in traded currency (with variations for that country indicated by stock), market capitalisation is in USD. Highs & lows are based on intraday trading over a rolling 52 week period.
♦ ex-dividend
■ ex-capital redistribution
price at time of suspension

FT 500: TOP 20

	Close price	Prev price	Day change	Day change %	Week change	Week change %	Month change %
AstraZen	5255.00	5248.00	7.00	0.13	542.50	11.5	10.78
Bhartiartl	375.95	374.35	1.60	0.43	30.70	8.9	10.49
JapanTob	4062.00	4018.00	44.00	1.10	286.00	7.6	10.71
ValeantPh	18.61	19.13	-0.52	-2.72	1.28	7.4	46.99
MollerMrsk	12410.00	12600.00	-190.00	-1.51	850.00	7.4	3.59
Vodafone	221.35	219.45	1.90	0.87	14.75	7.1	8.45
Hitachi	676.20	675.00	1.20	0.18	42.80	6.8	18.29
PingAnIns	46.80	46.90	-0.10	-0.21	2.95	6.7	10.51
ShenwanHong	0.32	0.31	0.01	3.23	0.02	6.7	16.36
Citic Ltd	12.00	11.98	0.02	0.17	0.74	6.6	9.09
Hind Unilevr	1009.40	1000.40	9.00	0.90	57.35	6.0	9.26
ChinaMBank	21.50	21.70	-0.20	-0.92	1.20	5.9	4.37
MTR	49.10	48.00	1.10	2.29	2.70	5.8	9.97
ChUncHK	10.58	10.60	-0.02	-0.19	0.54	5.4	-0.56
NipponTT	5266.00	5274.00	-8.00	-0.15	258.00	5.2	11.09
Petrobras	16.10	16.19	-0.09	-0.56	0.75	4.9	10.03
ReckittB	7611.00	7516.00	95.00	1.26	339.00	4.7	1.75
Formosa PetChem	106.50	109.00	-2.50	-2.29	4.50	4.4	-2.29
Tata Cons	2455.35	2429.15	26.20	1.08	102.80	4.4	5.44
Kweichow	426.60	430.12	-3.52	-0.82	17.84	4.4	7.88

Based on the FT Global 500 companies in local currency

FT 500: BOTTOM 20

	Close price	Prev price	Day change	Day change %	Week change	Week change %	Month change %
Hngzh HikVDT	25.93	27.17	-1.24	-4.56	-10.55	-28.9	-20.48
L Brands	47.87	48.29	-0.42	-0.87	-5.54	-10.4	0.06
SimonProp	153.13	154.13	-1.00	-0.65	-12.52	-7.6	-12.28
TJX Cos	74.84	73.76	1.08	1.46	-5.88	-7.3	-2.27
MitsubEst	2084.50	2100.00	-15.50	-0.74	-163.50	-7.3	2.52
VF Cp	51.78	52.39	-0.61	-1.16	-3.79	-6.8	-5.95
UBS	15.90	16.25	-0.35	-2.15	-1.15	-6.7	2.91
Enbridge	52.77	53.84	-1.07	-1.99	-3.77	-6.7	-7.03
KoreaElePwr	42750.00	41950.00	800.00	1.91	-3050.00	-6.7	-4.26
Richemont	79.85	81.85	-2.00	-2.44	-5.65	-6.6	-0.31
Manulife	22.84	23.72	-0.88	-3.71	-1.55	-6.4	-0.78
CredSuisse	14.15	14.57	-0.42	-2.88	-0.93	-6.2	-1.75
MitsbCp	2264.00	2314.00	-50.00	-2.16	-145.00	-6.0	-2.92
Bk Cent Asia	16950.00	16950.00	0.00	0.00	-1050.00	-5.8	0.15
Telefonica	9.85	10.07	-0.22	-2.17	-0.60	-5.7	-5.64
Cielo	23.00	23.51	-0.51	-2.17	-1.33	-5.5	-6.08
Mizuho Fin	198.00	203.10	-5.10	-2.51	-11.40	-5.4	4.90
Fuji Hvy Ind	3881.00	3922.00	-41.00	-1.05	-218.00	-5.3	-0.83
CVS	76.78	79.12	-2.35	-2.96	-4.17	-5.1	-2.60
BASF	85.49	87.33	-1.84	-2.11	-4.59	-5.1	-5.10

Based on the FT Global 500 companies in local currency

BONDS: HIGH YIELD & EMERGING MARKET

May 17	Red date	Coupon	Ratings S*	Ratings M*	Ratings F*	Bid price	Bid yield	Day's chge yield	Mth's chge yield	Spread vs US
High Yield US$										
Navient Corporation	03/20	8.00	BB-	Ba3	BB	106.86	5.44	-0.03	-0.36	4.20
High Yield Euro										
Kazkommerts Intl BV	02/17	6.88	B	Caa1	B	97.50	-	0.00	0.00	-
Emerging US$										
Mexico	09/16	11.40	BBB+	A3	BBB+	106.80	1.49	0.03	0.01	0.44
Brazil	01/18	8.00	BB	Ba2	BB	103.38	2.87	-0.04	-0.55	1.63
Peru	03/19	7.13	BBB+	A3	BBB+	110.02	1.65	-0.02	-0.16	0.40
Peru	03/19	7.13	BBB+	A3	BBB+	114.01	2.60	0.00	0.20	0.84
Brazil	01/22	12.50	BB	Ba2	BB	112.75	9.10	-0.02	-0.53	7.33
Poland	03/23	3.00	BBB+	A2	A-	100.08	3.01	-0.03	-0.03	1.24
Turkey	03/23	3.25	-	Ba1	BB+	82.03	7.06	-0.04	-0.06	5.29
Colombia	03/23	2.63	BBB	Baa2	BBB	97.05	3.21	-0.03	-0.04	1.44
Russia	05/26	4.75	-	-	BBB-	105.34	4.08	-0.02	-0.07	1.84
Turkey	03/27	6.00	-	Ba1	BB+	106.14	5.26	-0.02	-0.02	3.02
Emerging Euro										
Brazil	02/15	7.38	BBB-	Baa2	BBB	111.75	0.73	0.00	0.00	0.09
Mexico	02/20	5.50	BBB+	A3	BBB+	114.09	0.35	-0.01	-0.13	-0.90
Mexico	04/23	2.75	BBB+	A3	BBB+	108.08	1.32	-0.01	-0.07	-0.44
Bulgaria	03/28	3.00	BB+	Baa2	BBB-	108.59	2.11	-0.01	0.07	-0.13

Data provided by SIX Financial Information & Tullett Prebon Information. US $ denominated bonds NY close; all other London close. *S - Standard & Poor's, M - Moody's, F - Fitch.

BONDS: GLOBAL INVESTMENT GRADE

May 17	Red date	Coupon	Ratings S*	Ratings M*	Ratings F*	Bid price	Bid yield	Day's chge yield	Mth's chge yield	Spread vs US
US$										
FleetBoston Financial Corp.	01/28	6.88	BBB	Baa3	A-	120.12	4.53	-0.02	0.04	2.29
SunTrust Banks, Inc.	01/28	6.00	BBB+	Baa1	A-	110.89	4.74	-0.02	0.18	2.50
Nicor Gas Company	02/28	6.58	A	Aa3	AA-	116.91	4.62	-0.02	-0.06	2.38
NationsBank Corp.	03/28	6.80	BBB	Baa3	A-	120.16	4.48	-0.02	-0.11	2.24
United Utilities PLC	08/28	6.88	BBB-	Baa1	A-	119.51	4.68	-0.02	-0.14	2.44
Countrywide Home Loans, Inc.	06/29	6.15	BBB+	Baa1	A	99.77	6.36	0.00	0.00	-
Euro										
HSBC Holdings plc	06/28	3.13	BBB+	A2	A+	109.15	2.18	-0.01	-0.24	-0.06
AT&T Inc.	12/29	2.60	BBB+	Baa1	A-	104.52	2.18	0.00	0.00	-
Citigroup Inc.	02/30	4.25	BBB	Baa3	A-	117.42	2.31	-0.01	0.10	-
HBOS plc	03/30	4.50	BBB-	Baa2	A-	116.12	2.57	-0.01	-0.11	-
Yen										
Enagas Transportes, S.A.U.	09/39	3.23	A-	Baa2	A-	106.57	2.85	0.00	0.01	-
£ Sterling										
Electricite de France (EDF)	05/28	6.25	A	A3	A-	133.89	2.66	-0.03	-0.23	0.42
HSBC Holdings plc	08/28	2.63	A	A1	AA-	100.29	2.59	-0.03	-0.24	0.35

Data provided by SIX Financial Information. US $ denominated bonds NY close; all other London close. *S - Standard & Poor's, M - Moody's, F - Fitch.

INTEREST RATES: OFFICIAL

May 17	Rate	Current	Since	Last	Mnth Ago	Year Ago
US	Fed Funds	0.50-0.75	14-12-2016	1.00	0.50-0.75	0.25-0.50
US	Prime	4.00	16-12-2008	3.75	3.50	3.50
US	Discount	0.75	16-12-2015	0.75	1.00	0.75
Euro	Repo	0.00	10-09-2014	0.05	0.05	0.05
UK	Repo	0.25	05-03-2009	0.25	0.50	0.50
Japan	O'night Call	0.00-0.00	05-10-2010	0.00	0.00-0.10	0.00-0.10
Switzerland	Libor Target	0.00-0.25	15-01-2015	0.00-0.75	-1.25--0.25	0-0.25

INTEREST RATES: MARKET

May 17 (Libor: May 16)	Over night	Change Day	Change Week	Change Month	One month	Three month	Six month	One year
US$ Libor	0.92833	-0.001	0.001	-0.002	0.99911	1.18117	1.42044	1.74539
Euro Libor	-0.42714	-0.003	-0.005	0.006	-0.39714	-0.37071	-0.27429	-0.14329
£ Libor	0.22375	0.000	-0.001	0.000	0.25513	0.31244	0.45306	0.65956
Swiss Fr Libor				-0.001	-0.78440	-0.72700	-0.65900	-0.48440
Yen Libor				0.013	-0.01229	-0.00864	0.02543	0.13414
Euro Euribor				0.003	-0.37100	-0.33100	-0.25000	-0.12800
Sterling CDs				0.000	0.20000	0.30000	0.42500	
US$ CDs				0.000	0.98000	1.13000	1.31000	
Euro CDs				0.000	-0.43500	-0.39500	-0.29500	

May 17	Short term		7 Days notice		One month		Three month		Six month		One year	
Euro	-0.50	-0.35	-0.50	-0.35	-0.51	-0.36	-0.47	-0.32	-0.37	-0.22	-0.36	-0.11
Sterling			0.15	0.25	0.15	0.25	0.25	0.35	0.35	0.50	0.50	0.65
Swiss Franc	-	-	-	-	-	-	-	-	-	-	-	-
Canadian Dollar	-	-	-	-	-	-	-	-	-	-	-	-
US Dollar	0.90	1.00	0.95	1.05	1.00	1.10	1.10	1.20	1.25	1.35	1.50	1.60
Japanese Yen	-0.20	0.00	-0.20	0.00	-0.20	0.10	-0.15	0.15	-0.15	0.15	-0.10	0.20

Libor rates come from ICE (see www.theice.com) and are fixed at 11am UK time. Other data sources: US $, Euro & CDs: Tullett Prebon; SDR, US Discount: IMF; EONIA: ECB; Swiss Libor: SNB; EURONIA, RONIA & SONIA: WMBA.

BOND INDICES

	Index	Day's change	Month's change	Year change	Return 1 month	Return 1 year
Markit IBoxx						
ABF Pan-Asia unhedged	180.45	0.35	0.36	4.18	0.08	-0.87
Corporates(£)	340.03	0.11	0.42	3.00	0.63	10.11
Corporates($)	269.92	0.00	0.18	2.53	0.18	2.53
Corporates(€)	222.83	-0.04	-0.08	0.70	-0.19	2.46
Eurozone Sov(€)	229.66	0.11	-0.26	-1.30	-0.27	-1.00
Gilts(£)	321.84	0.28	-0.44	1.50	-0.93	6.19
Global Inflation-Lkd	254.64	-0.17	-1.11	3.03	-0.39	2.10
Markit iBoxx £ Non-Gilts	335.01	0.09	0.23	2.65	0.30	8.66
Overall ($)	234.99	-0.02	-0.05	1.76	-0.05	1.76
Overall(£)	322.74	0.23	-0.24	1.83	-0.57	6.91
Overall(€)	226.38	0.06	-0.19	-0.72	-0.27	-0.22
Treasuries ($)	221.84	-0.03	-0.22	1.24	-0.22	1.24
FTSE						
Sterling Corporate (£)	118.18	0.41	-	-	0.31	4.62
Euro Corporate (€)	107.15	0.14	-	-	-0.48	-0.91
Euro Emerging Mkts (€)	780.49	-10.02	-	-	1.79	-9.77
Eurozone Govt Bond	111.84	0.30	-	-	-0.16	-3.47

CREDIT INDICES	Index	Day's change	Week's change	Month's change	Series high	Series low
Markit iTraxx						
Crossover 5Y	369.26	-12.07	35.21	40.34	390.04	288.69
Europe 5Y	85.00	-1.98	7.21	7.01	90.43	67.59
Japan 5Y	70.05	-2.51	2.21	-0.87	93.03	64.22
Senior Financials 5Y	111.86	-3.89	10.86	12.50	121.66	80.36
Markit CDX						
Emerging Markets 5Y	198.09	-3.26	-11.46	-11.68	218.09	197.56
Nth Amer High Yld 5Y	328.29	0.17	-17.13	-10.17	353.95	327.35
Nth Amer Inv Grade 5Y	63.53	0.28	-4.09	-3.35	69.24	62.53

Websites: markit.com, ftse.com. All indices shown are unhedged. Currencies are shown in brackets after the index names.

VOLATILITY INDICES

	May 17	Day Chng	Prev	52 wk high	52 wk low
VIX	13.00	2.35	10.65	26.72	9.56
VXD	12.29	1.87	10.42	23.69	3.59
VXN	14.15	2.56	11.59	27.10	9.75
VDAX	-	-	-	-	-

† CBOE. VIX: S&P 500 index Options Volatility, VXD: DJIA Index Options Volatility, VXN: NASDAQ Index Options Volatility. ‡ Deutsche Borse. VDAX: DAX Index Options Volatility.

BONDS: BENCHMARK GOVERNMENT

	Red Date	Coupon	Bid Price	Bid Yield	Day chg yield	Wk chg yield	Month chg yld	Year chg yld
Australia	10/19	2.75	102.50	1.69	-0.01	-0.08	-0.02	0.03
	11/28	2.75	100.76	2.67	-0.01	-0.13	0.04	0.00
Austria	10/19	0.25	99.98	0.26	0.00	0.00	0.00	0.00
	04/27	0.50	98.58	0.65	-0.06	-0.02	0.13	0.00
Belgium	06/18	0.75	100.85	-0.07	0.00	0.00	0.00	0.00
	06/27	0.80	100.12	0.79	-0.04	-0.04	0.03	0.00
Canada	08/19	0.75	100.12	0.70	-0.05	0.00	0.00	0.00

Data provided by SIX Financial Information

GILTS: UK CASH MARKET

May 17	Price £	Red Yield	Change in Yield Day	Week	Month	Year	52 Week High	52 Week Low	Amnt £m
Tr 8.75pc '17	102.39	0.01	-50.00	0.00	-150.00	-97.44	105.16	100.00	11.14
Tr 5pc '18	103.94	0.10	0.00	0.00	25.00	-58.33	108.45	103.94	35.24
Tr 4.5pc '19	107.95	0.09	0.00	-10.00	28.57	-75.00	111.97	107.95	36.35
Tr 4.75pc '20	113.03	0.10	-9.09	-33.33	11.11	-82.46	117.02	112.96	33.31
Tr 1.5pc '21	104.59	0.25	-7.41	-21.88	-3.85	-68.35	106.04	102.58	32.46
Tr 4pc '22	117.47	0.33	-8.33	-19.51	0.00	-60.24	121.31	116.43	37.95
Tr 5pc '25	132.11	0.76	-5.00	-11.63	1.33	-38.71	138.11	129.09	35.08
Tr 1.25pc '27	101.02	1.14	-4.20	-8.06	1.79	-25.97	138.26	99.31	5.43
Tr 4.25pc '32	137.52	1.46	-3.31	-6.41	3.55	-23.96	148.92	130.54	35.44
Tr 4.25pc '36	142.26	1.63	-2.98	-5.78	3.16	-22.38	155.77	132.95	29.76
Tr 4.5pc '42	157.00	1.73	-2.81	-4.95	2.98	-21.36	174.65	143.92	26.64
Tr 3.75pc '52	156.41	1.63	-2.98	-5.78	3.16	-23.11	177.28	138.20	23.59
Tr 4pc '60	175.64	1.56	-3.11	-5.45	3.31	-24.64	201.27	151.90	23.21

xd Ex dividend. Closing mid-prices are shown in pounds per £ 100 nominal of stock. Red yield: Gross redemption yield. This table shows the gilts benchmarks & the non-rump undated stocks.

COMMODITIES

www.ft.com/commodities

Energy		Price*	Change	Agricultural & Cattle Futures		Price*	Change
Crude Oil†	May	48.85	0.47	Corn♦	Jul	368.50	1.50
Brent Crude Oil‡		52.24	1.01	Wheat♦	Jul	427.00	3.50
RBOB Gasoline†	May	1.61	0.01	Soybeans♦	Jul	978.25	2.50
Heating Oil†	May	1.58	0.00	Soybeans Meal♦	Jul	316.70	-0.20
Natural Gas†	May	3.25	0.02	Cocoa (ICE Liffe)✠	Jul	1585.00	5.00
Ethanol♦		-	-	Cocoa (ICE US)♥	Jul	2024.00	-10.00
Uranium†	May	18.10	0.00	Coffee(Robusta)✠	May	1931.00	-31.00
Carbon Emissions‡		-	-	Coffee (Arabica)♥	Jul	130.90	-0.45
Diesel†		-	-	White Sugar✠		459.00	9.80
Unleaded (95R)		-	-	Sugar 11♥		16.54	0.27
Base Metals (♠ LME 3 Months)				Cotton♥	Jul	81.83	0.41
Aluminium		1925.00	-4.00	Orange Juice♥	Jul	143.95	0.75
Aluminium Alloy		1670.00	-10.00	Palm Oil♣		-	-
Copper		5614.00	-7.00	Live Cattle♣	Jun	122.15	0.00
Lead		2108.00	18.00	Feeder Cattle♣	May	141.20	-1.28
Nickel		9110.00	-55.00	Lean Hogs♣	Jun	78.65	0.00
Tin		20275.00	370.00				
Zinc		2565.00	10.00		May 16	% Chg Month	% Chg Year
Precious Metals (PM London Fix)							
Gold		1257.40	23.20	S&P GSCI Spt	385.38	-4.03	4.82
Silver (US cents)		1690.00	18.00	DJ UBS Spot	84.07	-2.58	-1.26
Platinum		939.00	2.00	R/J CRB TR	185.12	-2.19	-0.10
Palladium		804.00	-14.00	M Lynch MLCX Ex. Rtn	231.14	-9.84	-33.05
Bulk Commodities				UBS Bberg CMCI TR	13.74	-3.26	4.31
Iron Ore (Platts)		62.45	0.80	LEBA EUA Carbon	4.90	-8.58	-15.95
Iron Ore (The Steel Index)		61.50	1.10	LEBA CER Carbon	0.24	-11.11	-40.00
GlobalCOAL RB Index		73.50	0.50	LEBA UK Power	1610.00	45.05	15.41
Baltic Dry Index		960.00	-20.00				

Sources: † NYMEX, ‡ ECX/ICE, ♦ CBOT, ✠ ICE Liffe, ♥ ICE Futures, ♣ CME, ♠ LME/London Metal Exchange.* Latest prices, $ unless otherwise stated.

BONDS: INDEX-LINKED

	Price Apr 21	Yield Apr 21	Yield Prev	Month return	Value stock	Market	No of stocks
Can 4.25%' 21	121.46	-0.361	-0.372	0.29	5.18	75355.91	7
Fr 2.25%' 20	112.37	-1.431	-1.458	0.13	20.31	222459.38	16
Swe 0.25%' 22	114.09	-1.848	-1.830	0.17	30.03	229025.37	7
UK 2.5%' 20	373.10	-2.880	-2.849	0.27	6.58	653041.71	27
UK 2.5%' 24	371.80	-2.205	-2.162	0.74	6.82	653041.71	27
UK 2%' 35	273.88	-1.791	-1.774	1.49	9.08	653041.71	27
US 0.625%' 21	103.72	-0.249	-0.260	0.21	35.84	1253376.13	38
US 3.625%' 28	133.26	0.507	-0.260	0.58	16.78	1253376.13	38

Representative stocks from each major market Source: Merill Lynch Global Bond Indices † Local currencies. ‡ Total market value. In line with market convention, for UK Gilts inflation factor is applied to price, for other markets it is applied to par amount.

BONDS: TEN YEAR GOVT SPREADS

	Bid Yield	Spread vs Bund	Spread vs T-Bonds		Bid Yield	Spread vs Bund	Spread vs T-Bonds
Australia	2.67	2.30	0.43	Italy	2.16	1.78	-0.08
Austria	0.65	0.27	-1.59	Japan	0.05	-0.33	-2.19
Belgium	0.79	0.41	-1.45	Netherlands	0.60	0.22	-1.64
Canada	1.48	1.10	-0.76	Norway	1.59	1.21	-0.65
Denmark	0.65	0.27	-1.59	Portugal	3.19	2.81	0.95
Finland	1.45	1.07	-0.79	Spain	1.57	1.19	-0.67
France	0.84	0.46	-1.40	Switzerland	-0.13	-0.51	-2.37
Germany	0.38	0.00	-1.86	United Kingdom	1.14	0.76	-1.10
Greece	5.64	5.26	3.40	United States	2.24	1.86	0.00
Ireland	0.84	0.47	-1.40				

Data provided by SIX Financial Information

GILTS: UK FTSE ACTUARIES INDICES

Price Indices Fixed Coupon	May 17	Day's chg %	Total Return	Return 1 month	Return 1 year	Yield
1 Up to 5 Years	96.83	0.05	2434.23	0.01	1.30	0.19
2 5 - 10 Years	186.09	0.27	3506.54	-0.05	3.90	0.73
3 10 - 15 Years	220.75	0.41	4256.33	-0.39	6.18	1.20
4 5 - 15 Years	194.52	0.32	3691.00	-0.17	4.61	0.95
5 Over 15 Years	344.20	0.87	5174.12	-1.19	11.44	1.65
7 All stocks	184.30	0.48	3591.88	-0.56	6.26	1.43

Index Linked	May 17	Day's chg %	Month chg %	Year's chg %	Total Return	Return 1 month	Return 1 year
1 Up to 5 Years	315.01	-0.02	-0.36	1.83	2473.91	-0.15	3.73
2 Over 5 years	723.70	0.43	-1.99	24.21	5387.67	-1.87	24.87
3 5-15 years	481.94	0.09	-1.10	10.43	3723.07	-0.89	11.61
4 Over 15 years	932.03	0.54	-2.28	29.54	6791.29	-2.19	29.99
5 All stocks	653.98	0.39	-1.87	21.57	4941.01	-1.74	22.36

Yield Indices	May 17	May 16	Yr ago		May 17	May 16	Yr ago
5 Yrs	0.34	0.37	0.71	20 Yrs	1.75	1.80	2.17
10 Yrs	1.10	1.14	1.47	45 Yrs	1.56	1.61	2.09
15 Yrs	1.58	1.62	1.96				

Real yield	inflation 0% May 17	Dur yrs	Previous	Yr ago	inflation 5% May 17	Dur yrs	Previous	Yr ago
Up to 5 yrs	-2.43	2.00	-2.43	-1.27	-3.25	2.00	-3.26	-1.97
Over 5 yrs	-1.71	24.72	-1.70	-0.89	-1.75	24.82	-1.73	-0.92
5-15 yrs	-1.92	8.50	-1.90	-0.91	-2.06	8.51	-2.05	-1.05
Over 15 yrs	-1.69	29.82	-1.68	-0.88	-1.72	29.87	-1.70	-0.91
All stocks	-1.72	23.00	-1.70	-0.89	-1.76	23.13	-1.74	-0.94

See the FTSE website for more details: http://www.ftse.com/products/indices/gilts

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FINANCIAL TIMES SHARE SERVICE

Main Market

AIM

	Price	+/-Chg	52 Week High	Low	Yld	P/E	Vol 000s
Cortex Holdings	34.00	1.50	38.00	27.00	-	6.06	1259.3
Dart	616.00	-6.00	675.00	354.50	0.65	8.70	474.1
GoalsSocc	112.50	-	122.40	90.00	1.78	-10.82	47.4
MinoanGp	9.63	-0.63	12.75	5.82	-	-9.44	1275.9
PeelHtls	143.50	-	149.00	93.00	1.39	22.78	2.4

Investment Companies

	Price	+/-Chg	52 Week High	Low	Yld	NAV	Dis(-) or Pm
Infra India	6.00	-	15.00	4.00	-	50.5	-88.1

Guide to FT Share Service

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Trading volumes are end of day aggregated totals, rounded to the nearest 1,000 shares.

Net asset value per share (NAV) and split analytics are provided only as a guide. Discounts and premiums are calculated using the latest cum fair net asset value estimate and closing price. Discounts, premiums, gross redemption yield (GRY), and hurdle rate (HR) to share price (SP) and HR to wipe out (WO) are displayed as a percentage, NAV and terminal asset value per share (TAV) in pence.

- ✠ FT Global 500 company
- ♦ trading ex-dividend
- ■ trading ex-capital distribution
- \# price at time of suspension from trading

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MANAGED FUNDS SERVICE

Abbey Life Assurance Company Limited (UK)
100 Holdenhurst Road, Bournemouth BH8 8AL 0345 9600 900
additional fund prices can be found @ www.abbeylife.co.uk

Insurances

Fund	Bid	Offer	+/-	Yield
Life Funds				
Prop. Acc. Ser 2	1510.30	1589.80	0.10	-
Selective Acc. Ser 2	1814.80	1910.30	-0.90	-
American Ser. 4	2237.10	2354.80	-7.20	-
Custodian Ser. 4	549.90	578.80	1.30	-
Equity Ser. 4	664.20	699.20	2.90	-
European Ser 4	742.10	781.20	-0.20	-
Fixed Int. Ser. 4	956.40	1006.80	4.50	-
Intl Ser. 4	565.70	595.50	-0.80	-
Japan Ser 4	469.70	494.50	0.00	-
Man. Ser. 4	1976.80	2080.80	3.80	-
Money Ser. 4	525.10	552.70	0.00	-
Prop. Ser. 4	1082.10	1139.10	0.00	-
Custodian Ser 5	526.10	553.80	1.20	-
International Ser 5	541.30	569.70	-0.70	-
Managed Ser 5	1891.20	1990.80	3.50	-
Money Ser 5	514.10	541.10	0.00	-
Property Ser 5	1035.30	1089.80	0.00	-
Pension Funds				
American	2704.00	2846.30	-10.00	-
Equity	5978.40	6293.10	30.40	-
European	1559.50	1641.60	-0.40	-
Fixed Int.	1787.00	1881.00	10.70	-
International	1250.20	1316.00	-1.80	-
Japan	513.10	540.10	0.10	-
Managed	5290.00	5568.40	9.70	-
Property	2794.50	2941.50	0.30	-
Security	1481.80	1559.70	0.00	-
Selective	2330.10	2452.80	9.90	-
Formerly Hill Samuel Life Assurance Ltd				
100 Holdenhurst Road, Bournemouth, BH8 8AL 0345 6023 603				
Managed Ser A (Life)	1874.20	1983.30	8.60	-
Managed Ser A (Pensions)	1280.20	1347.60	7.30	-
Formerly Target Life Assurance Ltd				
100 Holdenhurst Road, Bournemouth, BH8 8AL 0345 6023 603				
Managed (Life)	1895.30	1995.10	9.00	-
Managed Growth (Life)	623.10	655.90	3.60	-
Managed (Pensions)	7683.70	8088.10	43.70	-
Managed Growth (Pensions)	788.70	830.20	5.50	-

additional fund prices can be found on our website

Algebris Investments (IRL)
Regulated

Fund	Bid	Offer	+/-	Yield
Algebris Financial Credit Fund - Class I EUR	€ 150.83	-	-0.04	0.00
Algebris Financial Income Fund - Class I EUR	€ 137.58	-	0.11	-
Algebris Financial Equity Fund - Class B EUR	€ 123.80	-	0.92	0.00
Algebris Asset Allocation Fund - Class B EUR	€ 98.18	-	-0.05	0.00
Algebris Macro Credit B EUR Acc	€ 108.37	-	0.07	-

The Antares European Fund Limited
Other International

Fund	Bid	Offer	+/-	Yield
AEF Ltd Usd (Est)	$ 655.84	-	4.69	-
AEF Ltd Eur (Est)	€ 652.10	-	4.41	0.00

Arisaig Partners
Other International Funds

Fund	Bid	Offer	+/-	Yield
Arisaig Africa Consumer Fund Limited	$ 12.19	-	0.11	0.00
Arisaig Asia Consumer Fund Limited	$ 75.68	-	-0.23	-
Arisaig Global Emerging Markets Consumer Fund	$ 10.85	-	0.03	-
Arisaig Global Emerging Markets Consumer UCITS	€ 12.64	-	-0.08	0.00
Arisaig Global Emerging Markets Consumer UCITS STG	£ 13.75	-	0.04	0.00
Arisaig Latin America Consumer Fund	$ 27.46	-	0.22	-

Artemis Fund Managers Ltd (1200)F (UK)
57 St. James's Street, London SW1A 1LD 0800 092 2051

Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield
Artemis Capital R ACC	1502.96	1586.80	5.97	-
Artemis European Growth R Acc	331.17	349.39	-0.85	0.93
Artemis European Opps R Acc	100.63	106.15	-0.48	-
Artemis Global Emg Mkts I GBP Acc	122.02	-	-0.65	-
Artemis Global Emg Mkts I GBP Dist	115.90	-	-0.62	-
Artemis Global Energy R Acc	30.50	32.34	-0.11	0.40
Artemis Global Growth R Acc	239.06	252.31	-0.80	0.91
Artemis Global Income R Acc	123.21	130.05	-0.66	2.92
Artemis Global Income R Inc	94.92	100.19	-0.51	2.99
Artemis Global select R Acc	94.41	99.56	-0.60	-
Artemis High Income R Inc	80.25	85.30	0.01	5.83
Artemis Income R Acc	410.81	435.41	1.34	-
Artemis Income R Inc	225.95	239.48	0.74	-
Artemis Monthly Dist R Inc	72.75	77.04	-0.13	-
Artemis Pan-Euro Abs Ret GBP	123.92	-	-0.14	-
Artemis Strategic Assets R Acc	84.58	89.43	-0.15	-
Artemis Strategic Bond R M Acc	93.21	98.81	0.00	3.68
Artemis Strategic Bond R M Inc	57.32	60.76	0.00	3.74
Artemis Strategic Bond R Q Acc	93.38	98.99	0.00	3.64
Artemis Strategic Bond R Q Inc	57.38	60.83	0.00	3.72
Artemis UK Select Fund Class R Acc	523.96	553.85	0.56	-
Artemis UK Smaller Cos R Acc	1527.71	1632.05	3.36	1.02
Artemis UK Special Sits R Acc	594.02	630.28	2.62	1.49
Artemis US Abs Ret I Acc	110.89	-	0.17	0.00
Artemis US Equity I Acc	157.93	-	-0.77	-
Artemis US Ex Alpha I Acc	175.55	-	-0.50	-
Artemis US Extended Alpha I Hedged Acc	£ 1.22	-	0.00	0.00
Artemis US Select I Acc	158.53	-	-0.67	0.32
Artemis US Select I Hedged Acc	£ 1.18	-	0.00	0.23
Artemis US Select I Inc	140.85	-	-0.59	-
Artemis US Smlr Cos I Acc	172.07	-	-2.50	0.05

Artisan Partners Global Funds PLC (IRL)
Beaux Lane House, Mercer Street Lower, Dublin 2, Ireland
Tel: 44 (0) 207 766 7130

FCA Recognised

Fund	Bid	Offer	+/-	Yield
Artisan Partners Global Funds plc				
Artisan Global Equity Fund Class I USD Acc	$ 16.06	-	0.06	0.00
Artisan Global Opportunities I USD Acc	$ 15.10	-	0.06	0.00
Artisan Global Value Fund Class I USD Acc	$ 19.18	-	0.11	0.00
Artisan US Value Equity Fund Class I USD Acc	$ 13.76	-	0.02	0.00
Artisan Global Opportunities Class I EUR Acc	€ 20.47	-	-0.10	0.00

Ashmore Sicav (LUX)
2 rue Albert Borschette L-1246 Luxembourg

FCA Recognised

Fund	Bid	Offer	+/-	Yield
Ashmore SICAV Emerging Market Debt Fund	$ 102.90	-	-0.04	7.26
Ashmore SICAV Emerging Market Frontier Equity Fund	$ 175.51	-	-0.30	1.01
Ashmore SICAV Emerging Market Total Return Fund	$ 90.41	-	0.14	6.26
Ashmore SICAV Global Small Cap Equity Fund	$ 158.94	-	1.51	-
EM Mkts Corp.Debt USD F	$ 98.16	-	-0.18	7.20
EM Mkts Loc.Ccy Bd USD F	$ 86.95	-	0.48	4.55
EM Short Duration Fund Acc USD	$ 129.60	-	-0.19	0.00

Aspect Capital Ltd (UK)
Other International Funds

Fund	Bid	Offer	+/-	Yield
Aspect Diversified USD	$ 390.64	-	3.22	0.00
Aspect Diversified EUR	€ 230.11	-	1.75	0.00
Aspect Diversified GBP	£ 120.15	-	0.94	0.00
Aspect Diversified CHF	SFr 108.77	-	0.81	0.00
Aspect Diversified Trends USD	$ 115.45	-	-0.63	0.00
Aspect Diversified Trends EUR	€ 113.37	-	-0.64	0.00
Aspect Diversified Trends GBP	£ 119.84	-	-0.67	0.00

Atlantas Sicav (LUX)
Regulated

Fund	Bid	Offer	+/-	Yield
American Dynamic	$ 4164.50	-	29.79	0.00
American One	$ 3830.53	-	23.79	-
Bond Global	€ 1468.48	-	-7.16	-
Eurocroissance	€ 992.96	-	-7.06	0.00
Far East	$ 815.59	-	6.08	0.00

Bank of America Cap Mgmt (Ireland) Ltd (IRL)
Regulated

Fund	Bid	Offer	+/-	Yield
Global Liquidity USD	$ 1.00	-	0.00	0.61

Barclays Investment Funds (CI) Ltd (JER)
39/41 Broad Street, St Helier, Jersey, JE2 3RR Channel Islands 01534 812800

FCA Recognised

Fund	Bid	Offer	+/-	Yield
Bond Funds				
Sterling Bond F	£ 0.48	-	0.00	-

Baring Asset Management (UK)
Authorised Funds

Fund	Bid	Offer	+/-	Yield
UK Authorised Unit Trust				
Baring Eastern Trust GBP Acc	912.50	-	-6.50	-
Baring Eastern Trust GBP Inc	895.50	-	-6.30	-
Baring Europe Select Trust GBP Inc	3800.00	-	-21.00	0.46
Baring European Growth Trust GBP Inc	1360.00	-	-3.00	-
Baring German Growth Trust GBP Acc	855.30	-	-1.70	-
Baring German Growth Trust GBP Inc	774.30	-	-1.50	-
Baring Global Growth Trust GBP Inc	509.30	-	-2.10	-
Baring Japan Growth Trust GBP Acc	189.50	-	0.30	-
Baring Korea Trust GBP Acc	331.10	-	-2.00	0.00
Baring UK Growth Trust GBP Inc	291.70	-	1.00	-
Baring Strategic Bond Fund GBP Inc	117.50	-	-0.10	-
Baring Dynamic Capital Growth Fund GBP Acc	731.00	-	-0.10	2.62
Baring Dynamic Capital Growth Fund GBP Inc	282.10	-	0.00	2.68
UK Authorised Open-Ended Investment Company				
Baring Multi Asset Fund GBP Acc	172.90	-	0.00	-
Baring Multi Asset Fund GBP Inc	162.10	-	0.10	-
Common Investment Fund				
Baring Targeted Return Fund GBP Acc	163.00	163.70	0.10	2.82
Baring Targeted Return Fund GBP Inc	120.50	121.00	0.00	2.88

BlackRock (JER)
Regulated

Fund	Bid	Offer	+/-	Yield
BlackRock UK Property	£ 41.83	-	0.05	3.07
BLK Intl Gold & General	$ 6.17	6.51	0.10	0.00

BLI - Banque de Luxembourg Investments S.A.
FCA Recognised

Fund	Bid	Offer	+/-	Yield
BL-Equities Europe B	€ 6994.85	-	0.92	-
BL-Equities America B	$ 6405.11	-	-2.38	-
BL-Equities Japan B	¥ 17967.00	-	-21.00	-
BL-Emerging Markets B	€ 173.03	-	-1.25	-
BL-Global Equities B	€ 833.24	-	-4.25	0.00
BL-Global 30 B	€ 1412.92	-	-3.13	-
BL-Global 50 B	€ 1746.10	-	-5.03	-
BL-Global 75 B	€ 2423.26	-	-6.94	0.00
BL-Global Flexible EUR B	€ 163.39	-	-0.27	-

CCLA Investment Management Ltd (UK)
Senator House 85 Queen Victoria Street London EC4V 4ET

Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield
Diversified Income 1 Units GBP Inc	£ 1.58	1.58	0.00	-
Diversified Income 2 Units GBP Inc	£ 1.52	1.52	0.00	-
The Public Sector Deposit Fund				
The Public Sector Deposit Fund-share class 1 ♦ F	100.00	-	0.00	0.27
The Public Sector Deposit Fund-share class 2 ♦ F	100.00	-	0.00	0.00
The Public Sector Deposit Fund-share class 3 ♦ F	100.00	-	0.00	0.00
The Public Sector Deposit Fund-share class 4 ♦ F	100.00	-	0.00	0.21
The Public Sector Deposit Fund-share class 5 ♦ F	100.00	-	0.00	0.00

CCLA Investment Management Ltd (UK)
Senator House 85 Queen Victoria Street London EC4V 4ET

Property & Other UK Unit Trusts

Fund	Bid	Offer	+/-	Yield
CBF Church of England Funds				
Investment Inc	1567.75	1585.09	14.64	3.78
Investment Acc	3374.55	3411.88	31.51	-
Global Equity Inc	178.64	180.62	1.72	4.31
Global Equity Acc	277.97	281.04	2.69	-
UK Equity Inc	166.39	167.90	2.49	4.05
UK Equity Acc	261.39	263.76	3.92	-
Fixed Interest Inc	170.29	171.14	0.55	3.96
Fixed Interest Acc	549.43	552.19	1.75	-
Property Fund Inc	130.69	135.07	0.14	5.69

CCLA Fund Managers Ltd (UK)
Senator House 85 Queen Victoria Street London EC4V 4ET

Property & Other UK Unit Trusts

Fund	Bid	Offer	+/-	Yield
COIF Charity Funds (UK)				
Investment Inc	1408.06	1423.63	14.08	3.62
Investment Acc	14288.83	14446.87	142.91	-
Ethical Invest Inc	216.62	219.02	1.83	3.73
Ethical Invest Acc	294.55	297.81	2.49	-
Global Equity Inc	166.89	168.73	1.57	4.41
Global Equity Acc	262.72	265.63	2.47	-
Fixed Interest Inc	139.46	140.16	-0.91	4.14
Fixed Interest Acc	847.07	851.32	-5.53	-
Property Inc	112.14	115.90	0.07	5.71
Local Authorities Property Fd (LAMIT) (UK)				
Property	283.31	307.19	-0.54	4.81

CG Asset Management Limited (IRL)
Northern Trust, George's Court, 54-62 Townsend Street, Dublin 2, Rep of Ireland
00 353 1 434 5098

FCA Recognised

Fund	Bid	Offer	+/-	Yield
Capital Gearing Portfolio Fund Plc	£ 31295.34	31295.34	237.00	0.53
CG Portfolio Fund Plc				
Absolute Return M Inc GBP	£ 114.16	115.32	0.90	-
Real Return Cls A	£ 198.46	198.46	1.09	1.81
Dollar Fund Cls D	£ 155.27	155.27	-0.03	1.87
Capital Value Fund Cls V	£ 151.35	151.35	1.15	0.44
Dollar GBP Hedged Inc	£ 98.85	98.85	-0.01	-

Canada Life Investments (UK)
1-6 Lombard Street, EC3V 9JU. Dealing 0345 606 6180

Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield
Asia Pacific C Acc	£ 10.37	-	-0.10	1.12
Balance C Acc	£ 1.79	-	0.00	1.81
Corporate Bond C Acc	£ 2.59	-	0.01	-
European C Acc	£ 1.38	-	-0.01	-
Global Bond C Inc	£ 1.10	-	0.00	-
Global Equity C Acc	£ 8.26	-	-0.03	1.24
Global Equity Income C Inc	£ 1.56	-	0.00	3.27
Global High Yield Bond C Inc	£ 0.99	-	0.00	5.88
Japan C Acc	£ 1.37	-	-0.01	0.94
Managed 0%-35% C Acc	£ 1.04	-	0.00	-
North American C Acc	£ 12.49	-	-0.10	0.72
Portfolio III C Acc	£ 1.23	-	0.00	-
Portfolio IV C Acc	£ 1.26	-	0.00	2.42
Portfolio V C Acc	£ 1.29	-	0.00	1.72
Portfolio VI C Acc	£ 1.31	-	0.00	1.72
Portfolio VII C Acc	£ 1.29	-	0.00	1.54
Short duration Corporate Bond C Acc	£ 1.01	-	0.00	-
Strategic Return C Acc	£ 1.16	-	0.00	0.00
Total Return C Acc	£ 1.09	-	0.00	-
UK Equity & Bond C Inc	£ 2.61	-	0.00	3.96
UK Equity C Inc	£ 1.11	-	0.00	-
UK Equity Income C Inc	£ 4.64	-	0.01	-
UK Government Bond C Inc	£ 1.14	-	0.00	1.66

Capita Asset Services (UK)
40 Dukes Place, London EC3A 7NH
Order Desk and Enquiries: 0345 922 0044

Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield
CF Heartwood Cautious B Acc ✠	139.77	-	0.09	0.16
CF Heartwood Cautious Income B Inc ✠	114.38	-	0.14	3.18
CF Heartwood Growth B Acc ✠	170.52	-	0.19	0.53
CF Heartwood Balanced Income B Inc ✠	119.25	-	0.15	3.76
CF Heartwood Balanced B Acc ✠	142.86	-	0.18	0.44
CF Heartwood Defensive Multi Asset Fund B Accumulation	115.55	-	0.09	0.01
CF Seneca Diversified Growth A ACC	259.83	-	0.49	2.07
CF Seneca Diversified Growth B ACC	155.18	-	0.29	2.63
CF Seneca Diversified Growth N ACC	153.11	-	0.29	2.42
CF Seneca Diversified Income A INC	96.08	-	0.10	4.73
CF Seneca Diversified Income B INC	114.86	-	0.12	4.72
CF Seneca Diversified Income N INC	113.42	-	0.12	4.72
Investment Adviser - Morant Wright Management Limited				
CF Morant Wright Japan A ✠	370.53	-	-1.04	0.00
CF Morant Wright Japan A Inc ✠	362.76	-	-1.02	0.46
CF Morant Wright Japan B ✠	397.16	-	-1.11	0.98
CF Morant Wright Japan B Inc ✠	368.02	-	-1.03	0.99
CF Morant Wright Nippon Yield ACC A ✠	387.18	-	-0.80	1.96
CF Morant Wright Nippon Yield ACC B ✠	404.42	-	-0.82	1.95
CF Morant Wright Nippon Yield Fund A Inc ✠	322.95	-	-0.66	2.01
CF Morant Wright Nippon Yield Fund B Inc ✠	337.41	-	-0.69	2.02

Cedar Rock Capital Limited (IRL)
Regulated

Fund	Bid	Offer	+/-	Yield
Cedar Rock Capital Fd Plc	$ 424.89	-	10.23	1.38
Cedar Rock Capital Fd Plc	£ 517.46	-	14.30	1.45
Cedar Rock Capital Fd Plc	€ 404.89	-	8.54	1.43

Charles Schwab Worldwide Funds Plc (IRL)
Regulated

Fund	Bid	Offer	+/-	Yield
Schwab USD Liquid Assets Fd	$ 1.00	-	0.00	0.02

Chartered Asset Management Pte Ltd
Other International Funds

Fund	Bid	Offer	+/-	Yield
CAM-GTF Limited	$ 306989.70	306989.70	2233.48	0.00
CAM GTi Limited	$ 686.20	-	-1.02	0.00
Raffles-Asia Investment Company	$ 1.62	1.62	-0.01	1.90

Cheyne Capital Management (UK) LLP (IRL)
Regulated

Fund	Bid	Offer	+/-	Yield
Cheyne Convertibles Absolute Return Fund (D)	€ 1426.08	-	-0.27	0.00
Cheyne Global Credit Fund (D)	€ 125.10	-	0.07	0.00
Cheyne European Mid Cap Fund (W)	€ 1068.75	-	0.17	0.00

Cheyne Capital Management (UK) LLP
Other International Funds

Fund	Bid	Offer	+/-	Yield
Cheyne European Event Driven Fund (M)	€ 143.68	-	4.28	-
Cheyne Real Estate Credit Holdings Fund (M)	£ 174.46	-	0.95	0.00
Cheyne Real Estate Credit Holdings Fund III (M)	£ 117.85	-	0.67	0.00
Cheyne Real Estate Debt Fund Class A1 (M)	£ 144.68	-	1.33	0.00
Cheyne Total Return Credit Fund - December 2017 Class (M)	$ 229.77	-	1.04	0.00
Cheyne Total Return Credit Fund 2020 (M)	$ 134.41	-	3.20	0.00

price updated (D) daily, (W) weekly, (M) monthly

Consistent Unit Tst Mgt Co Ltd (1200)F (UK)
Stuart House, St John's Street, Peterborough, PE1 5DD
Dealing & Client Services 0345 850 8818

Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield
Consistent UT Inc	58.71	62.33	0.21	3.75
Consistent UT Acc	144.60	153.70	0.50	3.75
Practical Investment Inc	238.90	255.00	0.10	2.93
Practical Investment Acc	1221.00	1305.00	0.00	2.93

DAVIS Funds SICAV (LUX)
Regulated

Fund	Bid	Offer	+/-	Yield
Davis Value A	$ 46.84	-	0.02	0.00
Davis Global A	$ 35.62	-	0.20	0.00

Dodge & Cox Worldwide Funds (IRL)
6 Duke Street,St.James,London SW1Y 6BN
www.dodgeandcox.worldwide.com 020 3713 7664

FCA Recognised

Fund	Bid	Offer	+/-	Yield
Dodge & Cox Worldwide Funds plc - Global Bond Fund				
EUR Accumulating Class	€ 13.09	-	-0.11	-
EUR Accumulating Class (H)	€ 10.16	-	0.01	0.00
EUR Distributing Class	€ 11.81	-	-0.10	-
EUR Distributing Class (H)	€ 9.16	-	0.02	-
GBP Distributing Class	£ 12.33	-	0.00	-
GBP Distributing Class (H)	£ 9.35	-	0.02	3.79
USD Accumulating Class	$ 10.46	-	0.01	-
Dodge & Cox Worldwide Funds plc-Global Stock Fund				
USD Accumulating Share Class	$ 20.29	-	0.05	-
GBP Accumulating Share Class	£ 25.84	-	0.04	0.00
GBP Distributing Share class	£ 18.60	-	0.03	0.74
EUR Accumulating Share Class	€ 27.49	-	-0.19	-
GBP Distributing Class (H)	£ 11.12	-	0.03	-
Dodge & Cox Worldwide Funds plc-International Stock Fund				
USD Accumulating Share Class	$ 16.71	-	0.10	-
EUR Accumulating Share Class	€ 17.74	-	-0.07	-
Dodge & Cox Worldwide Funds plc-U.S. Stock Fund				
USD Accumulating Share Class	$ 22.86	-	0.00	0.00
GBP Accumulating Share Class	£ 27.53	-	-0.03	0.00
GBP Distributing Share Class	£ 17.34	-	-0.02	0.64
EUR Accumulating Share Class	€ 26.75	-	-0.26	0.00
GBP Distributing Class (H)	£ 10.50	-	0.00	-

Dragon Capital Group
1501 Me Linh Point, 2 Ngo Duc Ke, District 1, Ho Chi Minh City, Vietnam
Fund information, dealing and administration: funds@dragoncapital.com

Other International Funds

Fund	Bid	Offer	+/-	Yield
Vietnam Property Fund (VPF) NAV	$ 0.80	-	0.01	0.00

DSM Capital Partners Funds (LUX)
www.dsmsicav.com

Regulated

Fund	Bid	Offer	+/-	Yield
DSM Global Growth I2 Acc	€ 166.21	-	-0.13	0.00
DSM Global Growth I1 Acc	€ 124.10	-	-0.09	0.00
DSM US Large Cap Growth I3	$ 119.54	-	0.35	-
DSM US Large Cap Growth A	€ 112.23	-	-0.74	-
DSM US Large Cap Growth I2	€ 112.26	-	-0.74	-

Dynasty AM SICAV- UCITS V (LUX)
16, Avenue Marie-Thérèse L-2132 Luxembourg

Authorised

Fund	Bid	Offer	+/-	Yield
Dynasty Global Convertibles A EUR	€ 110.86	-	0.02	0.00
Dynasty Global Convertibles A CHF	SFr 108.71	-	0.02	0.00
Dynasty Global Convertibles A USD	$ 112.00	-	0.05	0.00
Dynasty Global Convertibles B EUR	€ 111.62	-	0.03	0.00
Dynasty Global Convertibles B CHF	SFr 105.68	-	0.02	-
Dynasty High Yield 2021 A EUR	€ 102.78	-	0.10	0.00
Dynasty Corporate Bonds 1-3 A EUR	€ 101.58	-	-0.01	-
Dynasty Corporate Bonds 1-3 B EUR	€ 101.14	-	-0.01	-

EdenTree Investment Management Ltd (UK)
PO Box 3733, Swindon, SN4 4BG, 0800 358 3010

Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield
Amity UK Cls A Inc	238.60	-	0.30	-
Amity UK Cls B Inc	238.30	-	0.30	-
Higher Income Cls A Inc	137.80	-	-0.10	4.28
Higher Income Cls B Inc	143.00	-	-0.10	4.24
UK Equity Growth Cls A Inc	272.80	-	0.70	-
UK Equity Growth Cls B Inc	278.90	-	0.70	-
Amity Balanced For Charities A Inc	116.00	-	-0.10	5.09
Amity European Fund Cls A Inc	271.20	-	-1.00	1.47
Amity European Fund Cls B Inc	274.40	-	-1.00	2.13
Amity Global Equity Inc for Charities A Inc	125.30	-	-0.40	3.43
Amity International Cls A Inc	263.00	-	-1.20	1.26
Amity International Cls B Inc	265.60	-	-1.20	1.92
Amity Sterling Bond Fund A Inc	107.40	-	0.20	4.89
Amity Sterling Bond Fund B Inc	117.10	-	0.20	4.85

Edinburgh Partners Limited (IRL)
27-31 Melville Street, Edinburgh EH3 7JF
Tel: +353 1 434 5143 Dealing - Fax +353 1 434 5230

FCA Recognised

Fund	Bid	Offer	+/-	Yield
Edinburgh Partners Opportunities Fund PLC				
Emerging Opportunities I USD $	$ 1.33	-	0.01	1.43
European Opportunities I EUR	€ 2.84	-	0.00	-
European Opportunities I GBP	£ 2.43	-	0.03	-
European Opportunities A EUR	€ 2.78	-	0.00	-
Global Opportunities I USD	$ 1.85	-	0.01	2.35
Global Opportunities I GBP	£ 1.44	-	0.01	2.25
Pan European Opportunities I EUR	€ 1.94	-	0.01	-

Electric & General (1000)F (UK)
Stuart House St.John's Street Peterborough PE1 5DD
Orders & Enquiries: 0845 850 0255

Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield
Authorised Corporate Director - Carvetian Capital Management				
Electric&General Net Income A	191.90	-	0.60	1.60

Ennismore Smaller Cos Plc (IRL)
5 Kensington Church St, London W8 4LD 020 7368 4220

FCA Recognised

Fund	Bid	Offer	+/-	Yield
Ennismore European Smlr Cos NAV	£ 122.14	-	0.73	0.00
Ennismore European Smlr Cos NAV	€ 142.37	-	-0.49	0.00

Ennismore European Smlr Cos Hedge Fd
Other International Funds

Fund	Bid	Offer	+/-	Yield
NAV	€ 520.95	-	5.59	0.00

Equinox Fund Mgmt (Guernsey) Limited (GSY)
Regulated

Fund	Bid	Offer	+/-	Yield
Equinox Russian Opportunities Fund Limited	$ 171.54	-	2.94	0.00

Euronova Asset Management UK LLP (CYM)
Regulated

Fund	Bid	Offer	+/-	Yield
Smaller Cos Cls One Shares	€ 41.46	-	0.28	0.00
Smaller Cos Cls Two Shares	€ 28.32	-	0.17	0.00
Smaller Cos Cls Three Shares	€ 14.26	-	0.08	0.00
Smaller Cos Cls Four Shares	€ 18.32	-	0.11	0.00

Eurobank Fund Management Company (Luxembourg) S.A.
Regulated

Fund	Bid	Offer	+/-	Yield
(LF) Absolute Return	€ 1.35	-	0.00	0.00
(LF) Eq Emerging Europe	€ 0.89	-	0.00	0.00
(LF) Eq Mena Fund	€ 13.32	-	-0.11	0.00
(LF) Greek Government Bond	€ 23.42	-	-0.01	0.00
(LF) Greek Corporate Bond	€ 13.67	-	-0.01	0.00
(LF) FOF Dynamic Fixed Inc	€ 12.52	-	-0.07	0.00
(LF) FOF Real Estate	€ 16.57	-	-0.23	0.00

FIL Investment Services (UK) Limited (1200)F (UK)
130, Tonbridge Rd, Tonbridge TN11 9DZ
Callfree: Private Clients 0800 414161
Broker Dealings: 0800 414 181

Fund	Bid	Offer	+/-	Yield
OEIC Funds				
Allocator World Fund N-ACC-GBP	£ 1.55	-	-0.01	0.90
American Fund W-ACC-GBP	£ 36.13	-	-0.30	-
American Special Sits W-ACC-GBP	£ 14.27	-	-0.14	0.69
Asia Pacific Ops W-Acc	£ 1.63	-	-0.01	1.06
Cash Fund Y-Acc-GBP	£ 1.00	-	0.00	0.08
Cash Fund Y-Inc-GBP	£ 1.00	-	0.00	0.17
Asian Dividend Fund W-ACC-GBP	£ 1.58	-	-0.01	1.99
Asian Dividend Fund W-INC-GBP	£ 1.43	-	-0.01	2.74
China Consumer Fund W-ACC-GBP	£ 2.35	-	0.00	0.70
Emerging Asia Fund W-ACC-GBP	£ 1.30	-	-0.01	-
Emerging Eur Mid East and Africa W	£ 2.06	-	-0.02	1.75
Enhanced Income Fund W-ACC-GBP	£ 1.51	-	0.00	-
Enhanced Income Fund W-INC-GBP	£ 1.11	-	0.00	-
European Fund W-ACC-GBP	£ 14.82	-	-0.05	-
European Fund W-INC-GBP	£ 16.67	-	-0.05	-
European Opportunities W-ACC-GBP	£ 4.63	-	-0.02	0.93
Extra Income Fund Y-ACC-GBP	£ 1.24	-	0.00	-
Extra Income Fund Y-GACC-GBP	£ 1.27	-	0.01	-
Extra Income Fund Y-GINC-GBP	£ 1.29	-	0.01	-
Extra Income Fund Y-INC-GBP	£ 1.28	-	0.00	3.93
Fidelity Short Dated Corporate Bond Fund Y - Gross Inc	£ 10.12	-	0.00	-
Fidelity Short Dated Corporate Bond Fund Y - Gross Acc	£ 10.24	-	0.00	-
Global Dividend Fund W-ACC-GBP	£ 1.98	-	-0.01	-
Global Dividend Fund W-INC-GBP	£ 1.73	-	-0.01	2.96
Global Enhanced Income W-ACC-GBP	£ 1.63	-	0.00	-
Global Enhanced Income W-INC-GBP	£ 1.38	-	0.00	4.71
Global Focus Fund W-ACC-GBP	£ 19.79	-	-0.10	0.47
Global High Yield Fund Y-ACC-GBP	£ 13.86	-	0.01	-
Global High Yield Fund Y-GACC-GBP	£ 14.35	-	0.01	-
Global High Yield Fund Y-GINC-GBP	£ 10.82	-	0.00	-
Global High Yield Fund Y-INC-GBP	£ 10.83	-	0.00	-
Global Property Fund W-ACC-GBP	£ 1.65	-	-0.01	1.73
Global Property W Inc	£ 1.43	-	-0.01	2.54
Global Special Sits W-ACC-GBP	£ 34.25	-	-0.19	0.69
Index Emerging Markets P-Acc	£ 1.43	-	-0.01	-
Index Emerging Markets P-Inc-GBP	£ 1.22	-	-0.01	-
Index Europe ex UK Fund P-Inc-GBP	£ 1.35	-	-0.01	-
Index Europe ex UK P-Acc	£ 1.40	-	0.00	-
Index Japan Fund P-Inc-GBP	£ 1.43	-	0.00	-
Index Japan P-Acc	£ 1.47	-	0.00	-
Index Pacific ex Japan P-Acc	£ 1.43	-	-0.02	2.93
Index Pacific ex Japan P-INC-GBP	£ 1.16	-	-0.02	3.00
Index UK Fund P-INC-GBP	£ 1.17	-	0.00	-
Index UK P-Acc	£ 1.28	-	0.00	-
Index US Fund P-Inc-GBP	£ 1.61	-	-0.01	1.61
Index US P-Acc	£ 1.77	-	-0.02	1.59
Index World Fund P-Inc-GBP	£ 1.45	-	-0.01	1.82
Index World P-Acc	£ 1.59	-	-0.01	1.79
Japan Fund W-ACC-GBP	£ 3.43	-	0.01	-
Japan Smaller Cos Fund W-ACC-GBP	£ 3.00	-	0.01	-
MoneyBuilder Balanced Y-ACC-GBP	£ 0.58	-	0.00	3.16
MoneyBuilder Balanced Y-INC-GBP	£ 0.63	-	0.00	3.80
MoneyBuilder Dividend Y-INC-GBP	£ 1.44	-	0.01	-
MoneyBuilder Growth Fund Y-INC-GBP	£ 0.83	-	0.01	-
MoneyBuilder Income Fund Y-ACC-GBP	£ 12.74	-	0.04	-
MoneyBuilder Income Fund Y-GACC-GBP	£ 14.69	-	0.05	-
MoneyBuilder Income Fund Y-GINC-GBP	£ 1.25	-	0.00	-
MoneyBuilder Income Fund Y-INC-GBP	£ 1.25	-	0.00	-
Multi Asset Adventurous N-ACC-GBP	£ 1.37	-	-0.01	1.10
Multi Asset Alloc Advent N-ACC-GBP	£ 1.34	-	-0.01	0.98
Multi Asset Alloc Def N-ACC-GBP	£ 1.18	-	0.00	1.24
Multi Asset Alloc Def N-GACC-GBP	£ 1.19	-	0.00	1.23
Multi Asset Alloc Growth N-ACC-GBP	£ 1.25	-	-0.01	1.02
Multi Asset Alloc Strat N-ACC-GBP	£ 1.23	-	-0.01	-
Multi Asset Balanced Inc N-GINC-GBP	£ 1.14	-	0.00	4.35
Multi Asset Balanced Inc N-INC-GBP	£ 1.14	-	0.00	-
Multi Asset Defensive N-ACC-GBP	£ 1.21	-	0.00	1.05
Multi Asset Defensive N-GACC-GBP	£ 1.22	-	0.00	1.05
Multi Asset Growth Fund N-ACC-GBP	£ 1.30	-	0.00	1.06
Multi Asset Inc & Growth N-INC-GBP	£ 1.16	-	0.00	3.96
Multi Asset Income Fund N-GINC-GBP	£ 1.11	-	0.00	4.53
Multi Asset Income Fund N-INC-GBP	£ 1.11	-	0.00	4.43
Fidelity Asia Fund W-ACC-GBP	£ 11.59	-	-0.08	-
Multi Asset Open Advent N-ACC-GBP	£ 1.31	-	0.01	-
Multi Asset Open Defen N-ACC-GBP	£ 1.21	-	0.00	1.36
Multi Asset Open Defen N-GACC-GBP	£ 1.22	-	0.00	1.35
Multi Asset Open Growth N-ACC-GBP	£ 1.28	-	0.01	1.18
Multi Asset Open Strat N-ACC-GBP	£ 1.26	-	0.00	-
Multi Asset Strategic N-ACC-GBP	£ 1.28	-	0.00	1.02
Open World Fund N-ACC-GBP	£ 1.51	-	0.01	0.18
Special Situations Fund W-ACC-GBP	£ 35.39	-	0.10	1.57
Sterling Core Plus Bond GMACC	£ 12.23	-	0.11	2.39
Sterling Core Plus Red Dur	£ 11.11	-	0.03	-
Strategic Bond Fund Y-ACC-GBP	£ 1.19	-	0.00	-
Strategic Bond Fund Y-GACC-GBP	£ 1.20	-	0.01	-
Strategic Bond Fund Y-GINC-GBP	£ 1.24	-	0.01	-
Strategic Bond Fund Y-INC-GBP	£ 1.24	-	0.01	-
Target 2020 A-ACC-GBP	£ 0.65	-	0.00	-
Target 2025 A-ACC-GBP	£ 1.59	-	0.00	-
Target 2030 A-ACC-GBP	£ 1.77	-	-0.01	-
UK Invest Grade Long Credit GACC	£ 116.60	-	0.80	-
UK Opportunities Fund W-ACC-GBP	232.80	-	0.80	1.26
UK Opportunities Fund W-INC-GBP	132.30	-	0.40	1.31
UK Select Fund W-ACC-GBP	£ 2.90	-	0.01	-
UK Smaller Companies W-ACC-GBP	£ 2.42	-	0.01	-
WealthBuilder Fund N-ACC-GBP	£ 1.50	-	0.00	1.13
Institutional OEIC Funds				
America	£ 5.32	-	-0.05	0.57
Emerging Markets	£ 4.29	-	-0.03	0.48
Europe (ex-UK) Fund ACC-GBP	£ 5.20	-	-0.02	-
Fidelity Pre-Retirement Bond Fund	£ 137.90	-	0.90	-
Global Focus	£ 3.90	-	-0.02	0.45
Index Linked Bond	£ 3.32	-	0.04	-
Index Linked Bond Gross	£ 4.04	-	0.05	-
Index-Linked Bond Fund Gross Inc	£ 15.63	-	0.17	-
Japan	£ 2.68	-	0.01	-
Long Bond	£ 0.58	-	0.01	-
Long Bond Gross	£ 0.98	-	0.01	-
Long Bond Fund Gross Inc	£ 12.91	-	0.13	-
Pacific (Ex Japan)	£ 4.90	-	-0.06	1.21
Pan European	£ 3.46	-	-0.01	1.65
Select Emerging Markets Equities	£ 1.77	-	0.00	-
Select Global Equities	£ 3.93	-	-0.03	0.94
South East Asia	£ 5.04	-	-0.06	1.60
Sterling Core Plus Bond Gr Accum	£ 2.49	-	0.03	2.43
Sterling Core Plus Bond Inc	£ 1.56	-	0.02	2.48
UK	£ 4.30	-	0.01	-
UK Aggreg Bond Gr Accum	£ 2.07	-	0.01	-
UK Corporate Bond	£ 1.33	-	0.01	-
UK Corporate Bond - Gross	£ 2.58	-	0.01	-
UK Corporate Bond Fund Gross Inc	£ 12.02	-	0.04	-
UK Gilt Fund Inc	£ 1.39	-	0.01	-
UK Gilt Gross	£ 2.27	-	0.02	-
UK Long Corp Bond	£ 1.56	-	0.01	-
UK Long Corp Bond - Gross	£ 2.98	-	0.02	-
UK Long Corporate Bond - Gross Inc	£ 12.50	-	0.08	-
Retail Share Classes				
Emerging Markets - retail	£ 1.69	-	-0.01	-

{*}CAR - Net income reinvested

Findlay Park Funds Plc (IRL)
30 Herbert Street, Dublin 2, Ireland Tel: 020 7968 4900

FCA Recognised

Fund	Bid	Offer	+/-	Yield
American Fund USD Class	$ 95.82	-	0.04	0.00
American Fund GBP Hedged	£ 51.62	-	0.01	0.00
American Fund GBP Unhedged	£ 74.16	-	0.02	0.00
Latin American Fund USD Class	$ 16.59	-	0.05	-
Latin American Fund GBP Unhedged	£ 13.08	-	0.04	-

The First Investor QSCC
5th Floor, Barwa Bank Building, Grand Hamad Street
, P.O. Box 16034, Doha, State of Qatar
+ 974 4459 6111
http://www.tfi.com.qa/

Other International Funds

Fund	Bid	Offer	+/-	Yield
TFI GCC Equity Opportunities Fund (Q)	QAR 1275.53	-	9.44	0.00

Foord Asset Management
Website: www.foord.com - Email: info@foord.com

Fund	Bid	Offer	+/-	Yield
FCA Recognised - Luxembourg UCITS				
Foord International Fund | R	$ 38.44	-	0.16	-
Foord Global Equity Fund (Lux) | R	$ 12.24	-	0.05	-
Regulated				
Foord Global Equity Fund (Sing) | B	$ 14.66	-	0.07	-
Foord International Trust (Gsy)	$ 38.12	-	0.16	-

Franklin Templeton International Services Sarl (IRL)
JPMorgan House - International Financial Services Centre,Dublin 1, Ireland

Other International Funds

Fund	Bid	Offer	+/-	Yield
Franklin Emerging Market Debt Opportunities Fund Plc				
Franklin Emg Mkts Debt Opp CHF	SFr 23.67	-	5.49	5.95
Franklin Emg Mkts Debt Opp EUR	€ 12.94	-	0.05	5.89
Franklin Emg Mkts Debt Opp GBP	£ 11.09	-	-0.26	6.31
Franklin Emg Mkts Debt Opp SGD	S$ 17.86	-	-6.17	5.98
Franklin Emg Mkts Debt Opp USD	$ 18.13	-	-0.27	5.87

Frontier Capital (Bermuda) Limited
Other International

Fund	Bid	Offer	+/-	Yield
Commercial Property-GBP Class	£ 71.42	-	-0.53	-
Global Real Estate-GBP C Class	£ 45.26	-	-0.50	-

Fundsmith LLP (1200)F (UK)
PO Box 10846, Chelmsford, Essex, CM99 2BW 0330 123 1815
www.fundsmith.co.uk, enquiries@fundsmith.co.uk

Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield
Fundsmith Equity T Acc	329.31	-	-0.78	-
Fundsmith Equity T Inc	307.55	-	-0.74	0.69

GAM
funds@gam.com, www.jbfundnet.com

Regulated

Fund	Bid	Offer	+/-	Yield
LAPIS TOP 25 DIV.YLD-D	£ 105.97	-	0.45	-

GYS Investment Management Ltd (GSY)
Regulated

Fund	Bid	Offer	+/-	Yield
Taurus Emerging Fund Ltd	$ 178.94	182.59	0.05	0.00

Generali Worldwide
PO Box 613, Generali House, Hirzel Street, St Peter Port, Guernsey, GY1 4PA 01481 714108

International Insurances

Fund	Bid	Offer	+/-	Yield
Global Multi-Strategy Managed	$ 5.25	5.66	0.03	0.00
UK Multi-Strategy Managed	£ 5.61	6.04	0.05	0.00
EU Multi-Strategy Managed	€ 3.24	3.49	0.04	0.00
Global Bond USD	$ 3.61	3.89	-0.01	0.00

Genesis Asset Managers LLP
Other International Funds

Fund	Bid	Offer	+/-	Yield
Emerging Mkts NAV	£ 7.51	-	0.03	0.00

HPB Assurance Ltd
Anglo Intl House, Bank Hill, Douglas, Isle of Man, IM1 4LN 01638 563490

International Insurances

Fund	Bid	Offer	+/-	Yield
Holiday Property Bond Ser 1	£ 0.53	-	0.00	0.00
Holiday Property Bond Ser 2	£ 0.64	-	0.00	0.00

Hargreaves Lansdown Fd Mgrs (1100)F (UK)
PO Box 55736, 50 Bank Street, Canary Wharf London E14 1BT
Enquiries 0117 90090000
www.hl.co.uk

Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield
Hargreaves Lansdown Funds				
Unit Trust				
HL Multi-Manager Special Situations Trust A Acc	350.93	369.39	1.63	0.59
HL Multi-Manager Special Situations Trust M Acc	350.91	369.37	1.63	0.59
HL Multi-Manager Income & Growth Trust A Acc	194.66	204.84	0.57	3.92
HL Multi-Manager Income & Growth Trust M Acc	194.66	204.82	0.57	3.92
HL Multi-Manager Income & Growth Trust A Inc	110.14	115.92	0.32	4.02
HL Multi-Manager Income & Growth Trust M Inc	110.14	115.91	0.32	4.01
HL Multi-Manager Balanced Managed Trust A Acc	228.16	239.96	0.90	1.12
HL Multi-Manager Balanced Managed Trust M Acc	228.17	239.96	0.90	1.13
HL Multi-Manager Equity & Bond Trust A Acc	121.02	127.24	0.21	2.28
HL Multi-Manager Equity & Bond Trust M Inc	121.02	127.24	0.20	2.28
HL Multi-Manager Equity & Bond Trust A Acc	169.61	178.32	0.29	2.25
HL Multi-Manager Equity & Bond Trust M Acc	169.62	178.32	0.29	2.25
HL Multi-Manager Strategic Assets A Acc	114.03	117.51	0.30	1.18
HL Multi-Manager Strategic Assets A Inc	112.68	116.12	0.29	1.19
HL Multi-Manager Strategic Bond Trust A Acc	182.47	188.11	-0.08	2.03
HL Multi-Manager Strategic Bond Trust M Acc	182.47	188.11	-0.08	2.03
HL Multi-Manager Strategic Bond Trust A Inc	147.53	152.09	-0.06	2.06
HL Multi-Manager Strategic Bond Trust M Inc	147.53	152.09	-0.06	2.05
HL Multi Manager Emerging Markets A Acc	124.44	128.25	0.79	0.63
HL Multi-Manager European A Acc	137.31	141.54	1.50	0.61
HL Multi-Manager UK Growth A Acc	128.64	132.61	0.42	1.57
HL Multi-Manager High Income A Inc	111.43	114.87	0.20	4.14
HL Multi-Manager High Income A Acc	116.35	119.94	0.22	4.04

Haussmann
Other International Funds

Fund	Bid	Offer	+/-	Yield
Haussmann Cls A	$ 2691.83	-	-10.48	0.00
Haussmann Cls C	€ 2305.79	-	-10.27	0.00
Haussmann Cls D	SFr 1210.50	-	-5.66	0.00

Henderson Global Investors (UK)
PO Box 9023, Chelmsford, CM99 2WB Enquiries: 0800 832 832
www.henderson.com

Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield
Asia Pacific Capital Growth A Acc	1023.00	-	-6.00	-
Asian Dividend Income Inc	103.99	109.24	-0.57	6.54
Cautious Managed A Acc	266.20	-	0.60	-
Cautious Managed A Inc	156.80	-	0.40	3.12
China Opportunities A Acc	1192.00	-	-9.00	0.00
Emerging Markets Opportunities A Acc	202.50	-	-0.80	-
European Growth A Acc	231.20	-	-0.90	-
European Selected Opportunities A Acc	1653.00	-	-8.00	-
Fixed Interest Monthly Income A Inc	22.37	23.33	-0.10	-
Global Care Growth A Inc	261.00	-	-1.70	-
Global Equity Income A Inc	61.59	-	-0.15	3.17
Global Growth Fund	2847.67	2970.34	-16.38	-
Global Technology A Acc	1474.00	-	-2.00	-
Multi-Manager Absolute Return A Acc	142.10	-	0.00	0.07
Multi-Manager Active A Acc ▲	215.20	-	-0.30	0.40
Multi-Manager Distribution A Inc	137.10	-	0.40	-
Multi-Manager Diversified A Acc	84.78	-	0.22	3.57
Multi-Manager Global Select Acc	229.60	-	0.20	0.01
Multi-Manager Income & Growth A Acc	172.80	-	0.50	-
Multi-Manager Income & Growth A Inc	154.40	-	0.40	-
Multi-Manager Managed A Acc	271.20	-	-0.10	0.53
Multi-Manager Managed A Inc	264.30	-	0.00	0.54
Sterling Bond Acc	219.86	229.34	-0.57	-
Sterling Bond Inc	66.06	68.91	-0.18	-
Strategic Bond A Inc	126.80	-	0.00	4.55
UK & Irish Smaller Companies A Acc	630.50	-	1.70	0.00
UK Absolute Return A Acc	156.90	-	0.00	0.00
UK Alpha A Acc ♦	141.60	-	0.30	1.13
UK Equity Income & Growth A Inc	671.20	-	-0.40	3.39
UK Index A Acc	612.10	-	1.90	-
UK Property A Acc	193.08	203.24	0.05	-
UK Property A Inc	97.68	102.81	0.03	-
UK Tracker A Acc	275.90	-	0.90	-
US Growth A Acc	947.80	-	-8.80	0.00

Hermes Investment Funds Plc (IRL)
Hermes Investment Management Limited, 1 Portsoken Street, London E1 8HZ +44 (0) 207 680 2121

FCA Recognised

Fund	Bid	Offer	+/-	Yield
Hermes Abs Return Credit Fund Class F Acc	£ 1.23	1.23	0.00	0.00
Hermes Abs Return Credit Fund Class R Acc	€ 2.03	2.03	-0.02	0.00
Hermes Asia Ex-Japan Equity Fund Class F Acc	£ 2.34	2.34	-0.01	-
Hermes Asia Ex-Japan Equity Fund Class R Acc	€ 4.28	4.28	-0.03	-
Hermes Europe Ex-UK Equity Fund Class F Acc	£ 1.94	1.94	0.00	-
Hermes Europe Ex-UK Equity Fund Class R Acc	€ 3.84	3.84	0.00	-
Hermes European Alpha Equity Fund Class F Acc	£ 1.74	1.74	0.00	-
Hermes European Alpha Equity Fund Class F Dis	£ 1.66	1.66	-0.01	-
Hermes European Alpha Equity Fund Class R Acc	€ 3.56	3.56	0.00	-
Hermes Global Emerging Markets Fund Class F Acc	£ 1.76	1.76	-0.01	-
Hermes Global Emerging Markets Fund Class R Acc	€ 3.78	3.78	-0.02	-
Hermes Global Equity Fund Class F Acc	£ 2.08	2.08	-0.02	0.00
Hermes Global Equity Fund Class R Acc	€ 4.63	4.63	-0.02	-
Hermes Global ESG Equity Fund Class F Acc	£ 1.60	1.60	-0.01	0.00
Hermes Global High Yield Credit Fund Class F Acc	£ 1.41	1.41	0.01	0.00
Hermes Global High Yield Credit Fund Class R Acc	€ 3.11	3.11	0.00	0.00
Hermes Global Small Cap Fund Class F Acc	£ 1.37	1.37	-0.01	0.00
Hermes Global Small Cap Fund Class R Acc	€ 2.28	2.28	0.00	0.00
Hermes Multi Asset Inflation Fund Class F GBP Acc	£ 1.03	1.03	0.00	0.00
Hermes Multi Strategy Credit Fund Class F Acc Hed	£ 1.14	1.14	0.00	0.00
Hermes US All Cap Equity Class F Stg £ Acc	£ 1.36	1.36	-0.01	0.00
Hermes US All Cap Equity Class R € Acc	€ 2.25	2.25	-0.01	0.00
Hermes US SMID Equity Fund Class F Acc	£ 2.26	2.26	-0.02	0.00
Hermes US SMID Equity Fund Class R Acc	€ 4.08	4.08	-0.02	0.00

Hermes Property Unit Trust (UK)
Property & Other UK Unit Trusts

Fund	Bid	Offer	+/-	Yield
Property	£ 6.07	6.51	0.04	2.83

Hermes UK Residential Real Estate (UK)
Property & Other UK Unit Trusts

Fund	Bid	Offer	+/-	Yield
VISTA UK Residential Real Estate	£ 1.02	1.06	0.03	-

INDIA VALUE INVESTMENTS LIMITED (INVIL)
www.invil.mu

Other International Funds

Fund	Bid	Offer	+/-	Yield
NAV	£ 9.77	-	-0.03	0.00

Intrinsic Value Investors (IVI) LLP (IRL)
1 Hat & Mitre Court, 88 St John Street, London EC1M 4EL +44 (0)20 7566 1210

FCA Recognised

Fund	Bid	Offer	+/-	Yield
IVI European Fund EUR	€ 22.15	-	0.02	0.00
IVI European Fund GBP	£ 25.44	-	0.27	0.62

Invesco Fund Managers Ltd (UK)
Perpetual Park, Henley-On-Thames, Oxon, RG9 1HH
Dealing: 0800 085 8571
Investor Services: 0800 085 8677
www.invescoperpetual.co.uk

Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield
INVESCO PERPETUAL Funds				
Asian Acc ♦ F	697.91	-	0.03	-
Asian Inc ♦ F	619.69	-	0.03	-
Asian Equity Income Acc ♦ F	80.22	-	-0.61	3.23
Asian Equity Income Inc ♦ F	64.17	-	-0.49	3.32
Balanced Risk 6 Acc	56.46	-	0.11	-
Balanced Risk 8 Acc	59.40	-	0.16	0.00
Balanced Risk 10 Acc	62.50	-	0.20	-
Childrens Acc ♦ F	469.33	-	2.01	-
Corporate Bd Acc (Gross) ♦ F	224.80	-	0.18	-
Corporate Bd Inc (Gross) ♦ F	90.78	-	0.07	-
Corporate Bond Acc ♦ F	198.73	-	0.16	-
Corporate Bond Inc ♦ F	90.72	-	0.07	-
Distribution Acc ♦ F	120.21	-	0.16	-
Distribution Acc (Gross) ♦ F	139.46	-	0.18	-
Distribution Inc ♦ F	65.71	-	0.09	-
Distribution Inc (Gross) ♦ F	65.70	-	0.09	-
Emerging European Acc ♦ F	52.40	-	-0.25	-
Emerging European Inc ♦ F	46.92	-	-0.22	-
European Equity Acc ♦ F	1168.24	-	-4.66	1.47
European Equity Inc ♦ F	959.00	-	-3.82	1.49
European Equity Income Acc ♦ F	98.42	-	-0.09	-
European Equity Income Inc ♦ F	71.08	-	-0.06	-
European High Income Acc ♦ F	100.20	-	-0.17	3.75
European High Income Inc ♦ F	68.62	-	-0.11	3.83
European Opportunities Inc ♦ F	100.84	-	-0.42	1.48
European Opportunities Acc ♦ F	105.94	-	-0.44	1.46
European Smlr Cos Acc ♦ F	243.19	-	-1.96	0.88
Global Bd Acc (Gross) ♦ F	146.49	-	-0.07	-
Global Bd Inc (Gross) ♦ F	88.65	-	-0.05	-
Global Bond Acc ♦ F	137.32	-	-0.07	-
Global Bond Inc ♦ F	88.61	-	-0.05	-
Glbl Distribution Acc	60.04	-	-0.06	4.33
Glbl Distribution Acc (Gross)	61.63	-	-0.06	4.33
Glbl Distribution Inc	53.64	-	-0.05	4.34
Glbl Distribution Inc (Gross)	53.63	-	-0.05	4.34
Global Emerging Markets Acc ♦ F	344.78	-	-0.85	0.55
Global Emerging Markets Inc ♦ F	308.96	-	-0.76	0.55
Global Equity (acc) ♦ F	619.17	-	-1.97	0.97
Global Equity (inc) ♦ F	555.11	-	-1.77	0.98
Global Equity Income Acc ♦ F	155.72	-	-0.70	3.15
Global Equity Income Inc ♦ F	120.84	-	-0.55	3.23
Gbl Financial Capital Acc	99.89	-	0.21	4.19
Gbl Financial Capital Inc	78.22	-	0.16	4.34
Gbl Financial Cap Acc Gross	105.66	-	0.21	5.19
Gbl Financial Cap Inc Gross	78.32	-	0.15	5.43
Global Opportunities Acc ♦ F	134.58	-	-0.22	0.29
Global Smaller Cos Acc ♦ F	2359.42	-	-6.66	0.13
Global Smaller Cos Inc ♦ F	2249.37	-	-6.35	0.13
Global Targeted Rets Acc	59.76	-	0.10	0.98
High Income Acc ♦ F	920.93	-	4.31	-
High Income Inc ♦ F	484.66	-	2.27	-
High Yield Fund Acc	117.55	-	0.09	-
High Yield Fund Acc (Gross)	139.22	-	0.11	-
High Yield Fund Inc	43.11	-	0.04	-
High Yield Fund Inc (Gross)	43.13	-	0.03	-
Hong Kong & China Acc ♦ F	629.73	-	2.20	0.53
Income & Growth Acc ♦ F	1109.53	-	4.03	-
Income & Growth Inc ♦ F	456.06	-	1.66	-
Income Acc ♦ F	3493.79	-	15.12	-
Income Inc ♦ F	1851.74	-	8.01	3.18
Japan Acc ♦ F	408.52	-	-1.68	-
Japanese Smlr Cos Acc ♦ F	105.41	-	1.40	0.00
Latin America Acc ♦ F	154.61	-	0.39	-
Latin America Inc ♦ F	127.61	-	0.32	-
Managed Growth Acc ♦ F	212.72	-	-0.36	0.45
Managed Growth Inc ♦ F	176.07	-	-0.29	0.46
Managed Income Acc ♦ F	196.10	-	-0.03	2.47
Managed Income Inc ♦ F	115.94	-	-0.02	2.52
Money Acc ♦ F	90.38	-	0.01	0.15
Money Acc (Gross) ♦ F	95.56	-	0.00	0.15
Monthly Income Plus Acc ♦ F	324.75	-	0.27	-
Monthly Income Plus Acc (Gross) ♦ F	387.37	-	0.32	-
Monthly Income Plus Inc ♦ F	111.83	-	0.09	-
Monthly Income Plus Inc (Gross) ♦ F	111.95	-	0.09	-
Pacific Acc ♦ F	1413.86	-	-2.98	0.55
Pacific Inc ♦ F	1286.04	-	-2.71	0.55
Tactical Bond Acc ♦ F	72.20	-	-0.01	-
Tactical Bond Inc ♦ F	61.18	-	0.00	-
Tactical Bond Acc (Gross) ♦ F	75.18	-	0.00	-
Tactical Bond Inc (Gross) ♦ F	61.22	-	0.00	-
UK Focus Acc F	248.19	-	0.94	-
UK Focus Inc F	198.98	-	0.76	-
UK Growth Acc ♦ F	654.94	-	2.39	-
UK Growth Inc ♦ F	398.52	-	1.45	-
UK Smaller Cos Equity Acc ♦ F	1163.05	-	4.73	0.36
UK Smaller Cos Equity Inc ♦ F	886.39	-	3.61	0.37
UK Strategic Income Acc ♦ F	202.11	-	0.92	-
UK Strategic Income Inc ♦ F	141.99	-	0.65	3.12
US Equity Acc ♦ F	731.04	-	-4.64	0.00
Invesco Perpetual Funds (No Trail)				
Asian (No Trail) Acc ♦ F	294.68	-	0.02	-
Asian (No Trail) Inc ♦ F	262.36	-	0.01	-
Asian Equity Income (No Trail) Acc ♦ F	165.46	-	-1.26	3.22
Asian Equity Income (No Trail) Inc	132.38	-	-1.01	3.31
Balanced Risk 6 No Trail Acc	115.86	-	0.23	-
Balanced Risk 8 No Trail Acc	121.84	-	0.32	0.00
Balanced Risk 10 No Trail Acc	128.24	-	0.41	0.00
Corporate Bond (No Trail) Acc ♦ F	177.44	-	0.14	-
Corporate Bond (No Trail) Inc ♦ F	119.92	-	0.10	-
Distribution (No Trail) Acc ♦ F	185.82	-	0.25	-
Distribution (No Trail) Inc ♦ F	115.63	-	0.15	-
Emerging European (No Trail) Acc ♦ F	109.83	-	-0.52	-
Emerging European (No Trail) Inc ♦ F	94.93	-	-0.44	-
European Equity (No Trail) Acc ♦ F	207.83	-	-0.83	1.85
European Equity (No Trail) Inc ♦ F	168.74	-	-0.67	1.89
European Equity Income (No Trail) Acc ♦ F	204.30	-	-0.17	-
European Equity Income (No Trail) Inc ♦ F	147.59	-	-0.13	-
European ex UK Enhanced Index (No Trail) Acc ♦ F	124.08	-	-0.49	-
European ex UK Enhanced Index (No Trail) Inc ♦ F	122.72	-	-0.48	-
European High Income (No Trail) Acc ♦ F	207.70	-	-0.35	-
European High Income (No Trail) Inc ♦ F	142.24	-	-0.24	3.82
European Opportunities (No Trail) Acc ♦ F	223.47	-	-0.93	1.88
European Opportunities (No Trail) Inc ♦ F	204.74	-	-0.85	1.92
European Smaller Companies (No Trail) Acc ♦ F	300.92	-	-2.43	1.27
Global Balanced Index (No Trail) Acc ♦ F	194.22	-	-0.04	1.86
Global Bond (No Trail) Acc ♦ F	154.82	-	-0.08	-
Global Bond (No Trail) Inc ♦ F	137.45	-	-0.08	-
Glbl Distribution Acc (No Trail)	121.89	-	-0.11	-
Glbl Distribution Inc (No Trail)	108.91	-	-0.10	-
Gbl Emerging Markets (No Trail) Acc ♦ F	227.70	-	-0.55	0.91
Gbl Emerging Markets (No Trail) Inc ♦ F	209.37	-	-0.51	0.92
Global Equity (No Trail) acc ♦ F	275.40	-	-0.87	1.35
Global Equity (No Trail) inc ♦ F	250.86	-	-0.80	1.37
Global Equity Income (No Trail) Acc ♦ F	324.55	-	-1.47	3.14
Global Equity Income (No Trail) Inc ♦ F	251.88	-	-1.13	3.22
Global ex UK Core Equity Index (No Trail) Acc ♦ F	237.09	-	-1.48	1.28
Global ex UK Enhanced Index (No Trail) Acc ♦ F	275.15	-	-1.76	2.31
Global ex UK Enhanced Index (No Trail) Inc ♦ F	112.61	-	-0.72	-
Gbl Fin Cap No Trail Acc	205.09	-	0.41	4.17
Gbl Fin Cap No Trail Inc	160.64	-	0.32	4.33
Global Opportunities (No Trail) Acc ♦ F	348.94	-	-0.56	0.65
Global Smaller Companies (No Trail) Acc ♦ F	347.31	-	-0.98	0.50
Global Smaller Companies (No Trail) Inc ♦ F	329.89	-	-0.92	0.50
Global Targeted Income Fund Acc (No Trail)	105.04	-	0.11	-
Global Targeted Income Fund Inc (No Trail)	106.48	-	0.12	-
Global Targeted Rets (No Trail) Acc	121.50	-	0.19	1.37
High Income (No Trail) Acc ♦ F	198.41	-	0.93	-
High Income (No Trail) Inc ♦ F	139.17	-	0.65	-
High Yield Fund (No Trail) Acc	245.45	-	0.20	5.73
High Yield Fund (No Trail) Inc	167.69	-	0.13	5.91
Hong Kong & China (No Trail) Acc ♦ F	251.64	-	0.88	0.95
Income & Growth (No Trail) Acc ♦ F	263.17	-	0.95	-
Income & Growth (No Trail) Inc ♦ F	197.39	-	0.72	-
Income (No Trail) Acc ♦ F	193.44	-	0.84	-
Income (No Trail) Inc ♦ F	134.97	-	0.59	3.17
Invesco Global Emerging Mkts Bond Acc (No Trail)	98.73	-	-0.48	-
Invesco Global Emerging Mkts Bond Inc (No Trail)	98.07	-	-0.47	-
Japan (No Trail) Acc ♦ F	195.59	-	-0.80	-
Japanese Smaller Companies (No Trail) Acc ♦ F	270.54	-	3.60	0.00
Latin American (No Trail) Acc ♦ F	150.62	-	0.37	-
Latin American (No Trail) Inc ♦ F	133.58	-	0.33	-
Managed Growth (No Trail) Acc ♦ F	259.53	-	-0.43	0.81
Managed Growth (No Trail) Inc ♦ F	236.19	-	-0.39	0.82
Managed Income (No Trail) Acc ♦ F	236.45	-	-0.03	2.47
Managed Income (No Trail) Inc ♦ F	187.49	-	-0.02	2.52
Monthly Income Plus (No Trail) Acc ♦ F	188.74	-	0.16	-
Monthly Income Plus (No Trail) Inc ♦ F	111.06	-	0.09	-
Pacific (No Trail) Acc ♦ F	264.25	-	-0.56	0.88
Pacific (No Trail) Inc ♦ F	246.04	-	-0.52	1.01
Tactical Bond (No Trail) Acc ♦ F	148.76	-	0.00	-
Tactical Bond (No Trail) Inc ♦ F	122.46	-	0.00	-
UK Focus (No Trail) Acc F	205.73	-	0.78	-
UK Focus (No Trail) Inc F	165.04	-	0.63	-
UK Enhanced Index (No Trail) Acc ♦ F	495.32	-	1.58	-
UK Enhanced Index (No Trail) Inc ♦ F	293.28	-	0.93	3.38
UK Growth (No Trail) Acc ♦ F	174.54	-	0.64	-
UK Growth (No Trail) Inc ♦ F	135.63	-	0.49	-
UK Smaller Companies Equity (No Trail) Acc ♦ F	381.53	-	1.56	0.74
UK Smaller Companies Equity (No Trail) Inc ♦ F	348.54	-	1.43	0.75
UK Strategic Income (No Trail) Acc ♦ F	808.88	-	3.69	-
UK Strategic Income (No Trail) Inc ♦ F	568.33	-	2.60	3.12
US Enhanced Index (No Trail) Acc ♦ F	113.23	-	-0.80	-
US Enhanced Index (No Trail) Inc ♦ F	112.19	-	-0.78	-
US Equity (No Trail) Acc ♦ F	306.72	-	-1.94	0.28

Invesco (LUX)
Dublin 00 353 1 439 8100 Hong Kong 00852 3191 8282

FCA Recognised

Fund	Bid	Offer	+/-	Yield
Invesco Management SA				
Invesco Active Multi-Sector Credit Fund A	€ 3.13	-	0.00	-
Invesco Asia Balanced A dist	$ 14.26	-	0.00	3.75
Invesco Asia Consumer Demand Fund A income	$ 14.87	-	0.00	-
Invesco Asia Infrastructure (A)	$ 13.83	-	0.01	0.69
Invesco Asia Opportunities Equity A	$ 123.35	-	0.71	0.00
Invesco Balanced Risk Allocation Fund A	€ 16.42	-	0.05	0.00
Invesco Emerging Europe Equity Fund A	$ 10.40	-	0.02	0.00
Invesco Emerging Local Currencies Debt A Inc	$ 7.14	-	0.01	5.78
Invesco Emerging Mkt Quant.Eq. A	$ 11.93	-	-0.01	-
Invesco Energy A	$ 17.20	-	-0.10	-
Invesco Euro Corporate Bond Fund (A)	€ 17.68	-	0.01	-
Invesco Euro Inflation Linked Bond A	€ 15.71	-	0.00	0.00
Invesco Euro Reserve A	€ 321.19	-	0.00	0.00
Invesco Euro Bond A	€ 7.40	-	0.01	0.00
Invesco European Growth Equity A	€ 27.19	-	-0.04	0.00
Invesco Global Absolute Return Fund A Class	€ 11.44	-	-0.02	0.00
Invesco Global Bond A Inc	$ 5.60	-	0.02	-
Invesco Global Conservative Fund 90 (EUR) A	€ 11.59	-	0.00	0.00
Invesco Global Equity Income Fund A	$ 65.93	-	0.10	0.00
Invesco Global Inc Real Estate Sec A dist	$ 9.44	-	-0.01	1.97
Invesco Global Inv Grd Corp Bond A Dist	$ 12.22	-	0.02	2.86
Invesco Global Leisure A	$ 47.53	-	0.10	-
Invesco Global Smaller Comp Eq Fd A	$ 69.79	-	0.02	0.00
Invesco Global Structured Equity A	$ 49.39	-	-0.18	0.78
Invesco Global Total Ret.(EUR) Bond Fund A	€ 13.68	-	0.01	-
Invesco Gold & Precious Metals A	$ 5.66	-	0.08	0.00
Invesco Greater China Equity A	$ 54.78	-	0.42	0.00
Invesco India Equity A	$ 66.48	-	-0.50	0.00
Invesco Japanese Equity Adv Fd A	¥ 4279.00	-	-11.00	-
Invesco Japanese Value Eq Fd A	¥ 1367.00	-	-1.00	-
Invesco Latin American Equity A	$ 7.53	-	0.04	-
Invesco Nippon Small/Mid Cap Equity A	¥ 1299.00	-	12.00	-
Invesco Pan European Equity A EUR Cap NAV	€ 20.93	-	-0.02	0.00
Invesco Pan European High Income Fd A	€ 14.68	-	0.00	-
Invesco Pan European Small Cap Equity A	€ 24.33	-	0.01	0.00
Invesco Pan European Structured Equity A	€ 19.03	-	0.00	-
Invesco UK Eqty Income A	£ 34.94	-	0.15	-
Invesco UK Investment Grade Bond A	£ 1.07	-	0.00	-
Invesco US Structured Equity A	$ 24.20	-	-0.08	0.00
Invesco US Value Eq Fd A	$ 36.29	-	0.02	0.00
Invesco USD Reserve A	$ 87.40	-	0.01	-

Invesco Global Asset Management Ltd (IRL)
Dublin 00 353 1 439 8100 Hong Kong 00 852 2842 7200

FCA Recognised

Fund	Bid	Offer	+/-	Yield
Invesco Stlg Bd A QD F	£ 2.71	-	0.00	-
Invesco Asian Equity A	$ 7.99	-	0.02	0.26
Invesco ASEAN Equity A	$ 94.18	-	0.00	0.13
Invesco Bond A	$ 27.69	-	0.14	-
Invesco Continental Eurp Small Cap Eqty A	$ 254.10	-	0.94	0.00
Invesco Emerging Markets Equity A	$ 44.23	-	0.17	0.00
Invesco Emerging Markets Bond A	$ 22.40	-	0.10	5.05
Invesco Continental European Equity A	€ 9.66	-	-0.03	-
Invesco Gilt A	£ 16.32	-	0.10	1.03
Invesco Global Small Cap Equity A NAV	$ 144.81	-	0.47	-
Invesco Global High Income A NAV	$ 12.63	-	0.01	6.71
Invesco Gbl R/Est Secs A GBP F F	£ 9.27	-	-0.09	0.89
Invesco Global Health Care A	$ 123.85	-	0.09	0.00
Invesco Global Select Equity A	$ 14.64	-	0.04	0.49
Invesco Jap Eqty Core A	$ 20.39	-	0.05	-
Invesco Japanese Equity A	$ 21.47	-	0.20	-
Invesco Korean Equity A	$ 28.60	-	-0.10	0.00
Invesco PRC Equity A	$ 60.96	-	0.33	-
Invesco Pacific Equity A	$ 58.62	-	0.22	0.23
Invesco Global Technology A	$ 19.03	-	0.10	-
Invesco UK Eqty A	£ 9.26	-	0.04	-

Kames Capital ICVC (UK)
Kames House, 3 Lochside Crescent, Edinburgh, EH12 9SA
0800 358 3009 www.kamescapital.com

Authorised Funds

Fund	Bid	Offer	+/-	Yield
Diversified Monthly Inc B Acc	131.36	-	-0.06	4.88
Diversified Monthly Inc B Inc	111.12	-	-0.05	5.08
Diversified Growth B Acc	£ 1.55	-	0.00	2.80
Ethical Cautious Managed B Acc	£ 1.32	-	0.00	1.85
Ethical Cautious Managed B Inc	£ 1.22	-	0.00	1.87
Ethical Corporate Bond B Acc	£ 1.87	-	0.00	3.08
Ethical Corporate Bond B Inc	£ 1.05	-	0.01	3.11
Ethical Equity B Acc	£ 2.18	-	-0.01	2.04
High Yield Bond B Acc	£ 2.67	-	0.00	3.91
High Yield Bond B Inc	£ 1.00	-	0.00	3.93
Investment Grade Bond B Acc	176.35	-	0.33	2.22
Investment Grade Bond B Inc	£ 1.24	-	0.00	2.75
Sterling Corporate Bond B Acc	£ 0.81	-	0.00	2.76
Sterling Corporate Bond B Inc	£ 0.33	-	0.00	2.78
Strategic Bond B Acc	£ 1.20	-	0.00	2.19
Strategic Bond B Inc	£ 1.21	-	0.00	2.21
UK Equity B Acc	£ 3.05	-	0.00	2.01
UK Equity Absolute Return B Acc	£ 1.18	-	0.00	0.00
UK Equity Income B Acc	£ 2.58	-	0.01	4.15
UK Equity Income B Inc	£ 1.86	-	0.00	4.27
UK Opportunities B Acc	£ 2.01	-	0.00	1.70
UK Smaller Companies B Acc	£ 3.48	-	0.03	1.22

Kames Capital Investment Portfolios ICVC (UK)
Kames House, 3 Lochside Crescent, Edinburgh EH12 9SA
0800 358 3009 www.kamescapital.com

Authorised Funds

Fund	Bid	Offer	+/-	Yield
Property Income B Acc	125.57	128.71	-0.03	4.34
Property Income B Inc	109.03	111.76	-0.03	4.44

Kames Capital VCIC (IRL)
1 North Wall Quay, Dublin 1, Ireland +35 3162 24493

FCA Recognised

Fund	Bid	Offer	+/-	Yield
Absolute Return Bond B GBP Acc	1103.67	-	0.12	1.03
Eq Market Neutral B Acc	974.36	-	-1.89	-
Eq Market Neutral Plus B Acc	931.31	-	-4.47	-
High Yield Global Bond A GBP Inc	532.23	-	0.12	3.12
High Yield Global Bond B GBP Inc	1113.24	-	0.21	3.69
Investment Grade Global Bd A GBP Inc	576.76	-	1.46	1.99
Kames Emerging Market Bond Fund - B Acc USD	$ 10.97	-	0.02	0.00
Kames Global Equity Income B GBP Acc	1535.92	-	-6.39	-
Kames Global Equity Income B GBP Inc	1394.69	-	-5.81	3.11
Kames Global Diversified Growth Fund - B Acc EUR	€ 10.89	-	0.01	-
Kames Global Equity Market Neutral Fund - B Acc GBP	£ 9.98	-	0.02	-
Kames Global Sustainable Equity Fund - B Acc EUR	€ 11.83	-	-0.05	0.00
Kames Absolute Return Bond Global Fund - B Acc GBP	£ 10.24	-	0.00	0.00
Strategic Global Bond A GBP Inc	1116.68	-	0.27	0.54
Strategic Global Bond B GBP Inc	633.40	-	0.15	0.99

Kleinwort Benson Bank (UK)
14 St. George Street, Mayfair, London W1S1FE
Dealing and enquiries: 0800 024 2400

Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield
Unit Trust Manager/ACD - Host Capital				
HC KB Capital Growth A Acc	200.31	-	0.14	1.36
HC KB Capital Growth A Inc	183.56	-	0.13	1.38
HC KB Enterprise Equity Income A Inc	117.39	-	0.34	3.06
HC KB Enterprise Equity Income A Acc	185.34	-	0.54	4.00
HC KB Endeavour Multi Asset Balanced A Acc	153.16	-	0.57	0.81
HC KB Endeavour Multi Asset Balanced A Inc	144.75	-	0.54	0.81
HC KB Enterprise Fixed Income A Acc	130.41	-	0.01	3.44
HC KB Enterprise Fixed Income A Inc	112.36	-	0.00	3.44

Lloyds Investment Fund Managers Limited (1000)F (JER)
PO Box 311, 11-12 Esplanade, St Helier, Jersey, JE4 8ZU 01534 845555

Other International Funds

Fund	Bid	Offer	+/-	Yield
Lloydstrust Gilt	£ 12.8300xd	-	0.0900	1.98
Lloyds Investment Funds Limited				
Euro High Income	€ 1.6160xd	-	0.0000	3.01
European	£ 9.8930	-	0.0020	0.66
High Income	£ 0.8975xd	-	0.0028	4.52
International	£ 5.4100	-	-0.0020	0.36
North American	£ 20.8100	-	-0.0800	0.00
Sterling Bond	£ 1.5650xd	-	0.0050	3.07
UK	£ 7.9390	-	0.0480	0.93
Lloyds Gilt Fund Limited				
Lloyds Gilt Fund Quarterly Share	£ 1.3430	-	0.0090	1.55
Monthly Share	£ 1.2910xd	-	0.0090	1.55
Lloyds Money Fund Limited				
Sterling Class	£ 52.5830	-	0.0000	-0.20
Lloyds Multi Strategy Fund Limited				
Conservative Strategy	£ 1.2450	-	0.0040	1.67
Growth Strategy	£ 1.7790	-	0.0070	1.22
Aggressive Strategy	£ 2.3350	-	0.0100	0.00
Global USD Growth Strategy	$ 1.5420	-	0.0040	0.00

Dealing Daily

Lothbury Property Trust (UK)
155 Bishopsgate, London EC2M 3TQ +44(0) 20 3551 4900

Property & Other UK Unit Trusts

Fund	Bid	Offer	+/-	Yield
Lothbury Property Trust GBP	£ 1844.59	1988.08	20.63	3.27

M & G Securities (1200)F (UK)
PO Box 9039, Chelmsford, CM99 2XG
www.mandg.co.uk Enq: 0800 390 390, Dealing: 0800 328 3196

Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield
Charifund Inc	1604.02	-	2.42	4.47
Charifund Acc	23706.03	-	35.63	4.32
M&G Corporate Bond A Acc	69.28xd	-	0.22	2.62
M&G Corporate Bond A Inc	41.63xd	-	0.13	3.76
M&G Dividend A Inc	67.75	-	0.01	4.19
M&G Dividend A Acc	721.20	-	0.11	2.86
M&G Episode Income A Acc	161.97xd	-	0.20	2.02
M&G Episode Income A Inc	127.44xd	-	0.16	3.44
M&G Episode Growth A Inc	58.80	-	-0.11	2.37
M&G Global Basics A Inc	856.89	-	-2.01	1.65
M&G Global Basics A Acc	1307.82	-	-3.05	0.41
M&G Global Dividend Fund A Acc	264.10xd	-	-1.01	1.39
M&G Global Dividend Fund A Inc	198.02xd	-	-0.76	2.88
M&G Glbl Emrgng Mkts A Acc	278.21	-	-0.78	0.78
M&G Glbl Emrgng Mkts A Inc	262.10	-	-0.75	1.56
M&G Global High Yield Bond A Inc	51.55	-	0.02	4.81
M&G Global High Yield Bond A Acc	129.08	-	0.05	3.41
M&G Global Macro Bond Fund A Acc	130.20xd	-	-0.34	1.16
M&G Global Macro Bond Fund A Inc	87.84xd	-	-0.22	2.58
M&G Managed Growth A Inc	105.35	-	-0.43	1.41
M&G Optimal Income A Inc	149.83xd	-	0.15	3.16
M&G Optimal Income A Acc	205.97xd	-	0.20	1.78
M&G Recovery GBP A Inc	143.36	-	0.84	1.95
M&G Recovery GBP A Acc	327.99	-	1.92	0.57
M&G Strategic Corp Bond A Inc	77.26	-	0.20	3.64
M&G Strategic Corp Bond A Acc	115.35	-	0.29	2.50
M&G UK Income Distribution A Acc	7063.15	-	9.83	2.97
M&G UK Income Distribution A Inc	811.34	-	1.13	4.13
M&G UK Inflation Lnkd Corp Bnd A Acc	117.84xd	-	0.01	0.06
M&G UK Inflation Lnkd Corp Bnd A Inc	114.91xd	-	0.01	1.21

M & G Securities Ltd (UK)
Property & Other UK Unit Trusts

Fund	Bid	Offer	+/-	Yield
Charibond	128.87xd	-	0.40	3.58
(Accum Units)	4027.33xd	-	12.54	3.58
NAACIF	86.03xd	-	0.03	4.00
(Accum Units)	8225.69xd	-	2.98	3.90
M&G Property Portfolio A Acc	127.65	127.65	0.01	2.94
M&G Property Portfolio A Inc	112.72	112.72	0.00	2.98

M & G (Guernsey) Ltd (GSY)
Regulated

Fund	Bid	Offer	+/-	Yield
The M&G Offshore Fund Range				
Corporate Bond A	1385.80	-	4.32	3.98
Global Basics X	3166.86	-	-7.35	0.17
Global Dividend A	153.88	-	-0.59	2.66
Global Leaders A	4404.08	-	-17.03	1.03
Global High Yield Bond X	1013.47	-	0.40	5.26
Global Macro Bond A	13133.37	-	-32.85	2.52
North American Dividend A	221.93	-	-1.36	1.77
Optimal Income A	148.46	-	0.15	3.96
Recovery A	12389.71	-	72.01	2.17
Strategic Corproate Bond A	140.26	-	0.36	3.97
UK Inf Lkd Corp Bd A Inc	111.38	-	0.01	2.19
UK Select A	1723.77	-	7.03	1.08

MMIP Investment Management Limited (GSY)
Regulated

Fund	Bid	Offer	+/-	Yield
Multi-Manager Investment Programmes PCC Limited				
UK Equity Fd Cl A Series 01	£ 2707.53	2734.99	38.81	0.00
Diversified Absolute Rtn Fd USD Cl AF2	$ 1580.43	-	16.88	0.00
Diversified Absolute Return Stlg Cell AF2	£ 1585.20	-	16.24	0.00
Global Equity Fund A Lead Series	£ 1351.48	1356.88	-16.72	0.00

Manek Investment Mgmt Ltd (1000)F (UK)
P.O.Box 100, Swindon SN1 1WR 0844 800 9401

Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield
Growth Fd Acc	54.11	57.18	0.45	0.00

Marlborough Fd Managers Ltd (1200)F (UK)
Marlborough House, 59 Chorley New Road, Bolton, BL1 4QP 0808 145 2500
www.marlboroughfunds.com

Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield
Balanced	190.17	200.34	-0.15	0.81
Bond Income	52.17	55.21	0.09	4.01
Cautious Inc	91.59	96.74	0.16	1.15
Defensive A Inc	114.58	114.58	0.04	0.00
Emerging Markets	317.11	317.11	-2.33	1.58
ETF Global Growth A	185.76	185.76	-0.54	0.00
ETF Commodity A	79.55	79.55	-0.10	0.00
European Multi-Cap	465.40	465.40	-1.38	0.20
Extra Income	85.45	90.42	0.13	3.74
Far East Growth A Inc	226.02	226.02	-2.31	1.44
Global	230.70	243.06	1.12	0.00
Global Bond Inc	154.23	163.11	0.02	2.64
High Yield Fixed Interest	75.62	80.23	0.02	5.06
Multi Cap Income A Inc	161.60	161.60	0.37	4.12
Nano-Cap Growth A Acc	137.6107	150.9400	-0.4122	0.00
Special Situations A Acc	1551.54	1641.84	6.73	0.31
UK Multi-Cap Growth A Inc	308.58	326.54	0.89	0.36
UK Micro Cap Growth A	639.65	676.88	0.91	0.11
US Multi-Cap Income	414.23	414.23	-3.09	0.54
MFM - Third Party Funds				
Junior Oils	80.78	85.48	-2.89	0.00
Junior Gold C Acc	37.63	37.63	0.50	0.00
MFM Artorius Fund	181.44	181.44	-0.51	-
MFM Bowland	218.01	235.69	1.65	1.17
MFM Hathaway Inc	129.32	135.41	1.28	1.08
MFM Techinvest Special Situations Acc	190.68	190.68	0.87	0.00
MFM Techinvest Technology Acc	484.76	484.76	-2.09	0.00
MFM UK Primary Opportunities A Inc	410.72	410.72	1.55	1.73
Slater Investments Ltd - Investment Adviser				
MFM Slater Growth	469.53	498.18	1.67	0.35
MFM Slater Income A Inc	164.56	164.56	0.13	4.26
MFM Slater Recovery	209.10	221.86	0.33	0.48

Marwyn Asset Management Limited (CYM)
Regulated

Fund	Bid	Offer	+/-	Yield
Marwyn Value Investors	£ 449.78	-	12.85	0.00

McInroy & Wood Portfolios Limited (UK)
Easter Alderston, Haddington, EH41 3SF 01620 825867

Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield
Balanced Fund Personal Class Units	4674.50xd	-	-14.50	1.58
Income Fund Personal Class Units	2679.10	-	1.90	2.72
Emerging Markets Fund Personal Class Units	2140.80xd	-	-9.40	1.70
Smaller Companies Fund Personal Class Units	4774.80	-	-12.10	1.31

Meridian Fund Managers Ltd
Other International Funds

Fund	Bid	Offer	+/-	Yield
Global Gold & Resources Fund	$ 316.63	-	-0.31	-
Global Energy & Resources Fund	$ 39.04	-	-0.45	-

Ministry of Justice Common Investment Funds (UK)
Property & Other UK Unit Trusts

Fund	Bid	Offer	+/-	Yield
The Equity Idx Tracker Fd Inc	1668.00	1668.00	-1.00	-

Distribution Units

Mirabaud Asset Management (LUX)
www.mirabaud.com, marketing@mirabaud.com

Regulated

Fund	Bid	Offer	+/-	Yield
Mir. - Conv. Bds Eur A EUR	€ 141.44	-	0.21	0.00
Mir. - Conv. Bds Glb A USD	$ 122.47	-	0.21	0.00
Mir. - Eq Asia ex Jap A	$ 207.81	-	1.25	-
Mir.- EqEurope ExUK Sm&Mid	£ 146.32	-	2.03	0.00
Mir. - Eq Glb Emrg Mkt A USD	$ 109.34	-	0.00	0.00
Mir. - Eq Global Focus A USD	$ 104.56	-	0.30	0.00
Mir. - EqPanEuropeSm&Mid	€ 133.65	-	0.25	0.00
Mir. - Eq Spain A	€ 31.11	-	0.22	0.00
Mir. - Eq Swiss Sm/Mid A	SFr 443.36	-	0.95	0.00
Mir. - Glb High Yield Bds A	$ 121.09	-	0.07	-
Mir. - Glb Eq High Income A USD	$ 104.93	-	0.35	0.00
Mir. - Glb Strat. Bd A USD	$ 112.48	-	0.05	0.00
Mir. - US Shrt Term Credit Fd	$ 103.78	-	0.00	0.00

MANAGED FUNDS SERVICE

Morgan Stanley Investment Funds (LUX)
6b Route de Trèves L-2633 Senningerberg Luxembourg (352) 34 64 61
www.morganstanleyinvestmentfunds.com
FCA Recognised

Fund	Bid	Offer	+/-	Yield
US Advantage A F	$ 68.28	-	-0.59	0.00
Asian Equity A F	$ 48.72	-	0.06	0.00
Asian Property A F	$ 19.33	-	0.00	0.00
Diversified Alpha Plus A F	€ 28.21	28.21	-0.01	0.00
Emerg Europ, Mid-East & Africa Eq A F	€ 78.41	-	-0.18	0.00
Emerging Markets Debt A F	$ 86.73	-	0.09	0.00
Emerging Markets Domestic Debt AX F	£ 12.87	12.87	-0.11	4.92
Emerging Markets Equity A F	$ 41.00	41.00	0.12	0.00
Euro Bond A F	€ 16.15	16.15	0.00	0.00
Euro Corporate Bond AX F	£ 26.81	26.81	0.04	-
Euro Strategic Bond A F	€ 45.75	45.75	0.01	0.00
European Currencies High Yield Bd A F	€ 24.21	24.21	0.01	0.00
European Equity Alpha A F	€ 47.02	-	0.28	0.00
European Property A F	€ 35.43	35.43	-0.16	0.00
Eurozone Equity Alpha A F	€ 13.41	13.41	0.06	-
Global Bond A F	$ 40.45	40.45	0.11	-
Global Brands A F	$ 117.27	-	1.15	-
Global Convertible Bond A F	$ 44.70	-	0.12	0.00
Global Property A F	$ 28.70	-	-0.10	-
Indian Equity A F	$ 44.48	-	0.26	-
Latin American Equity A F	$ 54.20	-	0.30	-
Short Maturity Euro Bond A F	€ 20.41	20.41	0.00	0.00
US Dollar Liquidity A F	$ 13.07	-	0.00	0.00
US Growth A F	$ 83.85	-	0.45	-
US Growth AH F	€ 57.00	57.00	0.30	0.00
US Growth AX F	£ 65.02	65.02	0.42	-
US Property A F	$ 68.20	-	-0.87	-

Morgens Waterfall Vintiadis.co Inc
Other International Funds

Fund	Bid	Offer	+/-	Yield
Phaeton Intl (BVI) Ltd (Est)	$ 372.76	-	9.38	0.00

Natixis International Funds (LUX) I SICAV (LUX)
FCA Recognised

Fund	Bid	Offer	+/-	Yield
ASG Managed Futures Fund I/A (USD)	$ 97.01	97.01	-0.06	-
Harris Global Equity Fund R/A (USD)	$ 295.36	295.36	1.10	0.00
Loomis Sayles Global Growth Equity Fund I/A (USD)	$ 118.76	118.76	1.07	-
Loomis Sayles U.S. Growth Equity Fund I/A (USD)	$ 116.09	116.09	0.47	-

Natixis International Funds (UK)
Authorised Funds

Fund	Bid	Offer	+/-	Yield
H2O MultiReturns Fund N/A (GBP)	£ 1.44	-	-0.01	0.63
Loomis Sayles U.S. Equity Leaders N/A (GBP)	£ 2.10	-	-0.01	-

NatWest (2230)F (UK)
PO Box 23873, Edinburgh EH7 5WJ**
Enquiries: 0800 085 5588
Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield
Series 1(Minimum initial investment 16375,000)				
Global Spec Inv Grade Bd Fund GBP	£ 9.75	-	0.00	2.66
Series 2 (Investment Management customers only)				
UK Specialist Equity Inc	£ 21.36	-	-0.12	0.49
Global Spec Inv Grade Bd Fund GBP	£ 9.97	-	0.00	2.66

The initial charge you will pay will depend on the amount you invest
**Address and Telephone number for series 1 only

New Capital Fund Management Ltd (IRL)
Leconfield House, Curzon Street, London, W1J 5JB
www.newcapitalfunds.com
FCA Recognised

Fund	Bid	Offer	+/-	Yield
New Capital Asia Pacific Bond Fund - USD Ord Inc.	$ 95.50	-	0.11	2.52
New Capital Asia Pacific Equity Income Fund - USD Ord Inc.	$ 103.03	-	0.08	3.15
New Capital Dynamic European Equity Fund - EUR Ord Inc.	€ 191.71	-	-0.12	1.30
New Capital China Equity Fund - USD Ord Acc.	$ 146.09	-	1.52	-
New Capital Global Value Credit Fund - USD Ord Acc.	$ 180.65	-	0.13	0.00
New Capital Global Equity Conviction Fund - USD Ord Acc.	$ 105.58	-	0.09	0.00
New Capital Strategic Portfolio UCITS Fund - USD Inst Acc.	$ 109.15	-	0.22	-
New Capital Wealthy Nations Bond Fund - USD Inst Inc.	$ 120.00	-	0.10	3.22
New Capital Swiss Select Equity Fund - CHF Ord Acc.	SFr 152.26	-	0.30	0.00
New Capital US Growth Fund - USD Ord Acc.	$ 233.49	-	-0.17	0.00
New Capital All Weather UCITS Fund - EUR Inst Acc.	€ 101.72	-	0.13	-
New Capital Dynamic UK Equity Fund - GBP Inst Acc.	£ 110.00	-	0.55	-
New Capital US Small Cap Growth Fund - USD Inst Acc	$ 108.06	-	0.13	-
New Capital Global Alpha Fund - USD Ord Inc	$ 103.93	-	0.29	-

Northwest Investment Management (HK) Ltd
11th Floor, Kinwick Centre, 32, Hollywood Road, Central Hong Kong +852 9084 4373
Other International Funds

Fund	Bid	Offer	+/-	Yield
Northwest China Opps $ Class	$ 3099.89	-	-74.89	0.00
Northwest $ Class	$ 2453.33	-	-60.07	0.00

Oasis Crescent Management Company Ltd
Other International Funds

Fund	Bid	Offer	+/-	Yield
Oasis Crescent Equity Fund	R 10.05	-	0.02	0.00

Oasis Global Mgmt Co (Ireland) Ltd (IRL)
Regulated

Fund	Bid	Offer	+/-	Yield
Oasis Global Investment (Ireland) Plc				
Oasis Crescent Global Short Term Income Fund	$ 0.99	-	0.00	1.40
Oasis Global Equity	$ 28.92	-	0.00	0.26
Oasis Crescent Global Investment Fund (Ireland) plc				
Oasis Crescent Global Equity Fund	$ 29.87	-	0.00	0.14
Oasis Crescent Variable Balanced Fund	£ 10.72	-	0.02	0.55
OasisCresGl Income Class A	$ 10.75	-	0.00	-
OasisCresGl LowBal D ($) Dist	$ 12.04	-	0.00	0.00
OasisCresGl Med Eq Bal A ($) Dist	$ 12.51	-	0.01	0.45
Oasis Crescent Gbl Property Eqty	$ 9.59	-	-0.02	-

Odey Asset Management LLP (UK)
40 Dukes Place, London, EC3A 7NH
Order Desk and Enquiries: 0345 300 2106
Authorised Corporate Director - Capita Financial Managers
Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield
CF Odey Continental European GBP R Acc	895.55	-	-2.69	0.66
CF Odey Opus GBP R Inc	4027.95	-	-2.34	0.00
CF Odey Absolute Return GBP R	273.70	-	3.57	0.00
CF Odey Portfolio Fund GBP R Inc	148.20	-	-0.20	0.11

Odey Asset Management LLP (CYM)
Regulated

Fund	Bid	Offer	+/-	Yield
OEI Mac Inc GBP A	£ 171.51	-	4.83	0.00
OEI Mac Inc GBP B	£ 102.24	-	3.28	0.00
OEI MAC Inc USD	$ 905.06	-	25.82	0.00
Odey European Inc EUR	€ 393.09	-	10.72	0.00
Odey European Inc GBP A	£ 156.03	-	4.32	0.00
Odey European Inc GBP B	£ 88.51	-	2.45	0.00
Odey European Inc USD	$ 185.07	-	5.19	0.00
Giano Capital EUR Inc	€ 3874.78	-	20.04	0.00

Odey Asset Management LLP (IRL)
FCA Recognised

Fund	Bid	Offer	+/-	Yield
Odey Pan European EUR R	€ 319.53	-	-1.31	0.00
Odey Allegra International EUR O	€ 167.75	-	-0.59	0.00
Odey Allegra Developed Markets USD I	$ 138.29	-	0.87	0.00
Odey European Focus Fund	£ 18.62	-	0.06	0.00
Odey Giano European Fund EUR R	€ 101.60	-	-0.04	0.00
Odey Odyssey USD I	$ 103.26	-	-0.35	0.00
Odey Swan Fund EUR I	€ 49.15	-	0.02	0.00
Odey European Absolute Return GBP S	£ 86.12	-	-0.01	0.00

Odey Wealth Management (CI) Ltd (IRL)
www.odey.com/prices
FCA Recognised

Fund	Bid	Offer	+/-	Yield
Odey Opportunity EUR I	€ 235.45	-	-0.15	-

Omnia Fund Ltd
Other International Funds

Fund	Bid	Offer	+/-	Yield
Estimated NAV	$ 933.67	-	10.72	0.00

Optima Fund Management
Other International Funds

Fund	Bid	Offer	+/-	Yield
Cuttyhunk Fund II Limited	$ 1693.65	-	19.10	0.00
JENOP Global Healthcare Fund Ltd	$ 13.90	-	0.54	0.00
OPTIKA Fund Limited - Cl A	$ 109.83	-	1.81	0.00
Optima Fd NAV	$ 92.17	-	0.14	0.00
Optima Discretionary Macro Fund Limited	$ 83.97	-	0.17	0.00
The Dorset Energy Fd Ltd NAV	$ 28.40	-	-0.84	0.00
Platinum Fd Ltd	$ 96.57	-	1.06	0.00
Platinum Fd Ltd EUR	€ 18.29	-	0.19	0.00
Platinum Japan Fd Ltd	$ 61.68	-	0.37	0.00
Optima Partners Global Fd	$ 15.70	-	0.03	0.00
Optima Partners Focus Fund A	$ 16.43	-	-0.08	0.00

Oryx International Growth Fund Ltd
Other International Funds

Fund	Bid	Offer	+/-	Yield
NAV (Fully Diluted)	£ 8.19	-	0.36	0.00

Pictet Asset Management (Europe) SA (LUX)
15, Avenue J.F. Kennedy L-1855 Luxembourg
Tel: 0041 58 323 3000
FCA Recognised

Fund	Bid	Offer	+/-	Yield
Pictet-Absl Rtn Fix Inc-HI EUR	€ 108.25	-	-0.02	0.00
Pictet-Agriculture-I EUR F	€ 208.73	-	-0.47	0.00
Pictet-Asian Equities Ex Japan-I USD F	$ 262.12	-	0.37	-
Pictet-Asian Local Currency Debt-I USD F	$ 161.37	-	-0.79	0.00
Pictet-Biotech-I USD F	$ 747.97	-	4.80	0.00
Pictet-CHF Bonds I CHF	SFr 509.46	-	-0.10	0.00
Pictet-China Index I USD	$ 126.28	-	0.91	0.00
Pictet-Clean Energy-I USD F	$ 92.35	-	0.38	0.00
Pictet-Digital-I USD F	$ 341.65	-	2.12	-
Pictet-Em Lcl Ccy Dbt-I USD F	$ 176.75	-	0.77	0.00
Pictet-Emerging Europe-I EUR F	€ 372.89	-	-2.40	0.00
Pictet-Emerging Markets-I USD F	$ 602.35	-	0.78	-
Pictet-Emerging Markets Index-I USD F	$ 269.99	-	1.25	-
Pictet-Emerging Corporate Bonds I USD	$ 121.29	-	0.05	0.00
Pictet-Emerging Markets High Dividend I USD	$ 113.29	-	-0.15	0.00
Pictet-Emerging Markets Sust Eq I USD	$ 102.80	-	0.42	0.00
Pictet-EUR Bonds-I F	€ 576.05	-	0.30	0.00
Pictet-EUR Corporate Bonds Ex Fin i EUR	€ 149.41	-	-0.06	0.00
Pictet-EUR Corporate Bonds-I F	€ 208.76	-	-0.10	-
Pictet-EUR Government Bonds I EUR	€ 160.63	-	0.18	0.00
Pictet-EUR High Yield-I F	€ 266.59	-	0.04	0.00
Pictet-EUR Short Mid-Term Bonds-I F	€ 137.25	-	-0.09	0.00
Pictet-EUR Short Term HY I EUR	€ 126.14	-	0.03	0.00
Pictet-EUR Sov.Sht.Mon.Mkt EUR I	€ 102.15	-	-0.01	-
Pictet-Euroland Index IS EUR	€ 156.37	-	0.20	-
Pictet-Europe Index-I EUR F	€ 193.10	-	0.13	-
Pictet-European Equity Selection-I EUR F	€ 745.42	-	-0.59	-
Pictet-European Sust Eq-I EUR F	€ 271.50	-	0.10	0.00
Pictet-Global Bds Fundamental I USD	$ 121.01	-	0.67	-
Pictet-Global Bonds-I EUR	€ 170.73	-	-0.75	-
Pictet-Global Defensive Equities I USD	$ 160.57	-	0.41	0.00
Pictet-Global Emerging Currencies-I USD F	$ 105.56	-	0.16	0.00
Pictet-Global Emerging Debt-I USD F	$ 400.42	-	0.00	0.00
Pictet-Global Env.Opport-I EUR	€ 190.08	-	-1.23	0.00
Pictet-Global Megatrend Selection-I USD F	$ 259.61	-	0.98	-
Pictet-Greater China-I USD F	$ 524.04	-	0.70	0.00
Pictet-Health-I USD	$ 270.60	-	-0.06	0.00
Pictet-High Dividend Sel I EUR F	€ 173.86	-	-0.80	0.00
Pictet-India Index I USD	$ 115.69	-	0.78	0.00
Pictet-Indian Equities-I USD F	$ 564.61	-	0.13	0.00
Pictet-Japan Index-I JPY F	¥ 16751.25	-	-93.88	-
Pictet-Japanese Equities Opp-I JPY F	¥ 10660.74	-	-55.30	-
Pictet-Japanese Equity Selection-I JPY F	¥ 15334.02	-	-112.93	-
Pictet-LATAM Lc Ccy Dbt-I USD F	$ 140.31	-	0.69	0.00
Pictet-Multi Asset Global Opportunities-I EUR	€ 121.67	-	-0.10	0.00
Pictet-Pacific Ex Japan Index-I USD F	$ 396.95	-	1.02	0.00
Pictet-Premium Brands-I EUR F	€ 161.83	-	-1.20	-
Pictet-Russia Index I USD	$ 66.38	-	-0.21	0.00
Pictet-Russian Equities-I USD F	$ 67.73	-	0.05	0.00
Pictet-Security-I USD F	$ 227.37	-	0.05	-
Pictet-Select-Callisto I EUR	€ 104.63	-	0.20	0.00
Pictet-Small Cap Europe-I EUR F	€ 1325.44	-	0.47	0.00
Pictet-ST.MoneyMkt-I	€ 139.87	-	0.00	-
Pictet-ST.MoneyMkt JPY I USD	¥ 101240.76	-	-1.20	0.00
Pictet-ST.MoneyMkt-ICHF	SFr 122.80	-	0.00	0.00
Pictet-ST.MoneyMkt-IUSD	$ 137.21	-	0.01	0.00
Pictet-Timber-I USD F	$ 172.18	-	1.14	0.00
Pictet Total Ret-Agora I EUR	€ 118.59	-	0.02	-
Pictet Total Ret-Corto Europe I EUR	€ 141.64	-	-0.11	-
Pictet Total Ret-Divers Alpha I EUR	€ 108.91	-	0.21	0.00
Pictet Total Ret-Kosmos I EUR	€ 110.69	-	0.11	0.00
Pictet Total Ret-Mandarin I USD	$ 136.66	-	0.97	0.00
Pictet-US Equity Selection-I USD	$ 207.96	-	0.40	-
Pictet-US High Yield-I USD F	$ 161.95	-	0.10	0.00
Pictet-USA Index-I USD F	$ 215.83	-	-0.11	0.00
Pictet-USD Government Bonds-I F	$ 646.90	-	0.52	0.00
Pictet-USD Short Mid-Term Bonds-I F	$ 131.62	-	0.01	0.00
Pictet-USD Sov.ST.Mon.Mkt-I	$ 103.68	-	0.00	0.00
Pictet-Water-I EUR F	€ 332.65	-	-2.89	0.00

Platinum Capital Management Ltd
Other International Funds

Fund	Bid	Offer	+/-	Yield
Platinum All Star Fund - A (Est)	$ 125.39	-	-	-
Platinum Global Dividend Fund - A	$ 47.94	-	-	-
Platinum Maverick Enhanced Fund Limited (Est)	$ 94.06	-	-	0.00

Polar Capital Funds Plc (IRL)
Regulated

Fund	Bid	Offer	+/-	Yield
Asian Financials I USD	$ 348.73	348.73	-0.55	-
Biotechnology I USD	$ 19.53	19.53	0.14	0.00
European Income Acc EUR	€ 12.77	12.77	0.04	0.00
European Ex UK Inc EUR Acc	€ 11.54	11.54	0.04	-
Financial Opps I USD	$ 13.31	-	0.02	-
GEM Growth I USD	$ 10.47	-	0.05	-
GEM Income I USD	$ 11.63	-	0.03	-
Global Alpha I USD	$ 14.72	14.72	0.04	0.00
Global Convertible I USD	$ 12.00	12.00	0.05	-
Global Insurance I GBP	£ 5.64	-	-0.01	0.00
Global Technology I USD	$ 33.58	-	0.21	-
Healthcare Blue Chip Fund I USD Acc	$ 11.36	11.36	-0.02	0.00
Healthcare Opps I USD	$ 38.74	-	0.08	0.00
Income Opportunities B2 I GBP Acc	£ 2.15	2.15	0.01	0.00
Japan Alpha I JPY	¥ 224.21	224.21	-1.17	-
Japan I JPY	¥ 2167.00	-	-12.05	-
North American I USD	$ 21.30	21.30	-0.01	-
UK Absolute Equity I GBP	£ 16.46	16.46	0.14	0.00
UK Val Opp I GBP Acc	£ 11.21	11.21	-0.01	-

Polar Capital LLP (CYM)
Regulated

Fund	Bid	Offer	+/-	Yield
European Conviction A EUR	€ 154.97	-	3.40	0.00
European Forager A EUR	€ 184.68	-	6.59	0.00

Private Fund Mgrs (Guernsey) Ltd (GSY)
Regulated

Fund	Bid	Offer	+/-	Yield
Monument Growth 16/05/2017	£ 524.05	529.79	7.56	1.58

Prusik Investment Management LLP (IRL)
Enquiries - 0207 493 1331
Regulated

Fund	Bid	Offer	+/-	Yield
Prusik Asian Equity Income B Dist	$ 198.57	-	0.34	3.15
Prusik Asia A	$ 224.54	-	0.54	0.00
Prusik Asian Smaller Cos A	$ 169.14	-	0.03	0.00

Purisima Investment Fds (UK) (1200)F (UK)
40 Dukes Place, London EC3A 7NH
Order Desk and Enquiries: 0345 922 0044
Authorised Inv Funds
Authorised Corporate Director - Capita Financial Managers

Fund	Bid	Offer	+/-	Yield
Global Total Fd PCG A	228.51	-	-0.55	0.59
Global Total Fd PCG B	226.67	-	-0.54	0.39
Global Total Fd PCG INT	223.92	-	-0.54	0.19

Purisima Investment Fds (CI) Ltd (JER)
Regulated

Fund	Bid	Offer	+/-	Yield
PCG B ✠	197.06	-	2.10	0.00
PCG C ✠	193.84	-	2.06	0.00

Putnam Investments (Ireland) Ltd (IRL)
Regulated

Fund	Bid	Offer	+/-	Yield
Putnam New Flag Euro High Yield Plc - E	€ 1049.41	-	0.54	3.37

Ram Active Investments SA
www.ram-ai.com
Other International Funds

Fund	Bid	Offer	+/-	Yield
RAM Systematic Emerg Markets Core Eq	$ 94.30	-	0.21	-
RAM Systematic Emerg Markets Eq	$ 169.14	-	0.24	-
RAM Systematic European Eq	€ 440.48	-	0.08	-
RAM Systematic Global Shareholder Yield Eq	$ 115.69	-	0.04	0.00
RAM Systematic Long/Short Emerg Markets Eq	$ 115.10	-	0.02	-
RAM Systematic Long/Short European Eq	€ 148.38	-	-0.28	-
RAM Systematic North American Eq	$ 273.16	-	-0.22	-
RAM Tactical Convertibles Europe	€ 154.12	-	0.01	-
RAM Tactical Global Bond Total Return	€ 144.29	-	0.09	-
RAM Tactical II Asia Bond Total Return	$ 137.53	-	-0.01	-

Rathbone Unit Trust Mgmt (1200)F (UK)
PO Box 9948, Chelmsford, CM99 2AG
Order Desk: 0845 300 2101, Enquiries: 0207 399 0399
Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield
Blue Chip Income Inc	173.71	179.44	0.16	-
Blue Chip Income Acc	272.79	281.46	0.25	-
Ethical Bond Inc	95.38	97.35	0.13	-
Ethical Bond Acc	192.93	196.42	0.25	-
Global Opportunities Acc	184.01	189.62	-0.98	-
Income Inc	962.93	995.60	2.93	-
Income Acc	1574.94	1625.97	4.78	-
Multi Asset Enhanced Growth Acc	153.51	-	0.03	0.21
Multi Asset Strategic Growth inc	170.30	-	0.09	1.55
Multi Asset Strategic Growth acc	184.63	-	0.10	1.54
Multi Asset Total Return inc	132.61	-	0.00	1.65
Multi Asset Total Return acc	149.32	-	0.00	1.50
Recovery Inc	479.68	497.45	1.60	2.33
Recovery Acc	597.90	619.27	1.99	2.29
Strategic Bond I-Class Acc	139.81	140.48	0.11	3.65
Strategic Bond I-Class Inc	116.51	117.18	0.09	3.72

Robeco Asset Management (LUX)
Weena 850, 3014 DA Rotterdam, The Netherlands
www.robeco.com/contact
FCA Recognised

Fund	Bid	Offer	+/-	Yield
Asia-Pacific Equities (EUR)	€ 156.37	-	-1.80	0.00
BP US Premium Equities (EUR)	€ 213.04	-	0.37	0.00
BP US Premium Equities (USD)	$ 242.51	-	0.45	0.00
Chinese Equities (EUR)	€ 87.74	-	-0.24	-
Em Stars Equities (EUR)	€ 213.47	-	-1.78	0.00
Emerging Markets Equities (EUR)	€ 182.52	-	-2.32	-
Flex-o-Rente (EUR)	€ 106.39	-	-0.02	0.00
Glob.Consumer Trends Equities (EUR)	€ 178.51	-	-0.98	-
High Yield Bonds (EUR)	€ 143.67	-	0.08	0.00
Lux -O- Rente (EUR)	€ 140.30	-	0.10	-
New World Financials (EUR)	€ 60.30	-	-0.48	-

Royal Bank of Scotland (2230)F (UK)
PO Box 23873, Edinburgh EH7 5WJ 0800 917 7072
Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield
Series 5 (Minumum Initial Investment £75,000)				
Global Spec Inv Grade Bd Fund GBP	£ 9.59	-	0.00	2.66
Series 6 (Investment Management Customers Only)				
US Spec Equity Fund	£ 26.95	-	0.13	0.26
Global Spec Inv Grade Bd Fund GBP	£ 9.95	-	0.00	2.66

Address and telephone number for Series 5 only

Royal London Unit Managers Ltd. (1200) F (UK)
5th Floor, Churchgate House, 56 Oxford Street, Manchester M1 6EU 03456 057777
Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield
Royal London Sustainable Diversified A Inc	£ 1.84	-	0.00	-
Royal London Sustainable World A Inc	217.60	-	-0.20	0.60
Royal London Corporate Bond Mth Income	93.61	95.04	0.22	-
Royal London European Growth Trust	139.60	141.70	-0.50	-
Royal London Sustainable Leaders A Inc	547.60	-	1.10	-
Royal London UK Growth Trust	559.50	568.00	1.10	-
Royal London UK Income With Growth Trust	235.70	239.30	0.50	4.38
Royal London US Growth Trust	209.90	213.10	-1.10	-

Additional Funds Available
Please see www.royallondon.com for details

Ruffer LLP (1000)F (UK)
40 Dukes Place, London EC3A 7NH
Order Desk and Enquiries: 0345 601 9610
Authorised Inv Funds
Authorised Corporate Director - Capita Financial Managers

Fund	Bid	Offer	+/-	Yield
CF Ruffer Investment Funds				
CF Ruffer European Fund C Inc	£ 1.03	-	0.01	-
CF Ruffer Gold Fund C Acc	149.49	-	7.94	0.53
CF Ruffer Gold Fund C Inc	£ 0.91	-	0.05	-
CF Ruffer Gold Fund O Acc	147.31	-	7.82	0.35
CF Ruffer Japanese Fund C Inc	£ 1.04	-	0.00	-
CF Ruffer Pacific Fund C Inc	£ 0.99	-	0.00	-
Equity & General C Acc	430.93	-	0.92	0.00
Equity & General C Inc	397.47	-	0.84	0.00
Equity & General O Inc	394.16	-	0.82	0.00
Equity & General O Acc	424.82	-	0.88	0.00
European C Acc	555.99	-	6.83	0.06
European O Acc	548.08	-	6.71	0.00
Japanese Fund C Acc	220.21	-	-1.57	0.24
Japanese Fund O Acc ✠	216.80	-	-1.55	0.03
Pacific C Acc	348.43	-	0.27	0.99
Pacific O Acc	343.17	-	0.24	1.12
Total Return C Acc	444.18	-	1.52	1.55
Total Return C Inc	301.55	-	1.04	1.57
Total Return O Inc	297.10	-	1.00	1.58
Total Return O Acc	437.86	-	1.48	1.56

S W Mitchell Capital LLP (CYM)
Regulated

Fund	Bid	Offer	+/-	Yield
S W Mitchell European Fund Class A EUR	€ 296.93	-	29.15	-

S W Mitchell Capital LLP (IRL)
Regulated

Fund	Bid	Offer	+/-	Yield
SWMC European Fund B EUR	€ 17001.87	-	16.05	0.00
SWMC UK Fund B	£ 13737.19	-	6.58	0.00
SWMC Small Cap European Fund B EUR	€ 14526.05	-	-38.59	0.00
SWMC Emerging European Fund B EUR	€ 12042.58	-	-67.17	0.00

RobecoSAM (LUX)
Tel. +41 44 653 10 10 http://www.robecosam.com/
Regulated

Fund	Bid	Offer	+/-	Yield
RobecoSAM Sm.Energy/A	£ 15.33	-	0.10	1.48
RobecoSAM Sm.Energy/N	€ 13.89	-	-0.04	0.00
RobecoSAM Sm.Materials/A	£ 183.69	-	0.01	1.23
RobecoSAM Sm.Materials/N	€ 189.02	-	-1.79	0.00
RobecoSAM Sm.Materials/Na	€ 128.61	-	-1.21	1.20
RobecoSAM Gl.Small Cap Eq/A	€ 108.05	-	0.06	1.07
RobecoSAM Gl.Small Cap Eq/N	€ 191.99	-	-1.70	0.00
RobecoSAM Sustainable Gl.Eq/B	€ 208.21	-	-1.34	-
RobecoSAM Sustainable Gl.Eq/N	€ 181.48	-	-1.17	-
RobecoSAM S.HealthyLiv/B	€ 188.66	-	-1.48	-
RobecoSAM S.HealthyLiv/N	€ 177.69	-	-1.39	-
RobecoSAM S.HealthyLiv/Na	€ 131.55	-	0.22	1.04
RobecoSAM S.Water/A	£ 230.73	-	0.78	1.46
RobecoSAM S.Water/N	€ 198.65	-	-1.20	0.00

Rubrics Global UCITS Funds Plc (IRL)
www.rubricsam.com
Regulated

Fund	Bid	Offer	+/-	Yield
Rubrics Emerging Markets Fixed Income UCITS Fund	$ 132.42	-	0.19	0.00
Rubrics Global Credit UCITS Fund	$ 15.37	-	0.01	0.00
Rubrics Global Fixed Income UCITS Fund	$ 160.91	-	0.01	0.00
Q Rubrics India Fixed Income UCITS Fund	$ 11.43	-	-0.01	0.00
Rubrics India Fixed Income UCITS Fund	$ 97.64	-	-0.07	0.00
Rubrics International Bond UCITS Fund	$ 17.49	-	-0.01	0.00

Schroder Property Managers (Jersey) Ltd
Other International Funds

Fund	Bid	Offer	+/-	Yield
Indirect Real Estate SIRE	£ 133.88	140.74	0.60	2.10

Scottish Friendly Asset Managers Ltd (UK)
Scottish Friendly Hse, 16 Blythswood Sq, Glasgow G2 4HJ 0141 275 5000
Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield
Managed Growth ♦	276.40	-	0.70	0.00
UK Growth ♦	301.00	-	1.40	-

SIA (SIA Funds AG) (CH)
Other International Fds

Fund	Bid	Offer	+/-	Yield
LTIF Stability Growth	SFr 218.70	-	-2.70	-
LTIF Stability Inc Plus	SFr 184.40	-	-2.30	-

Standard Life Wealth (JER)
PO Box 189, St Helier, Jersey, JE4 9RU 01534 709130
FCA Recognised

Fund	Bid	Offer	+/-	Yield
Standard Life Offshore Strategy Fund Limited				
Bridge Fund	£ 1.8904	-	-0.0022	1.86
Global Equity Fund	£ 2.3377	-	-0.0091	1.03
Global Fixed Interest Fund	£ 1.0193	-	0.0007	4.30
Income Fund	£ 0.5652	-	-0.0001	3.43
Sterling Fixed Interest Fund	£ 0.8947	-	0.0030	3.57
UK Equity Fund	£ 2.2001	-	0.0087	2.78

Stenham Asset Management Inc
www.stenhamassetmanagement.com
Other International Funds

Fund	Bid	Offer	+/-	Yield
Stenham Credit Opportunities A Class USD	$ 108.81	-	0.46	0.00
Stenham Equity UCITS USD	$ 160.52	-	1.70	0.00
Stenham Growth USD	$ 209.71	-	0.54	-
Stenham Healthcare USD	$ 185.92	-	-0.22	0.00
Stenham Managed Fund USD	$ 113.80	-	0.15	0.00
Stenham Macro UCITS USD	$ 94.92	-	-0.03	0.00
Stenham Multi Strategy USD	$ 110.96	-	0.58	-
Stenham Quadrant USD A	$ 413.31	-	-1.62	-
Stenham Trading Inc USD	$ 119.09	-	-0.47	-
Stenham Universal USD	$ 434.42	-	2.95	-
Stenham Universal II USD	$ 159.80	-	1.02	0.00

E.I. Sturdza Strategic Management Limited (GSY)
Regulated

Fund	Bid	Offer	+/-	Yield
Nippon Growth Fund Limited	¥ 99444.00	-	149.00	0.00
Strat Evarich Japan Fd Ltd JPY	¥ 83087.00	-	-2196.00	0.00
Strat Evarich Japan Fd Ltd USD	$ 814.99	-	-21.85	0.00

E.I. Sturdza Funds PLC (IRL)
Regulated

Fund	Bid	Offer	+/-	Yield
Nippon Growth (UCITS) Fd - B	¥ 84840.00	-	17.00	-
Nippon Growth (UCITS) Fd - D Inst	¥ 55361.00	-	12.00	-
Strategic China Panda Fd - USD	$ 2742.36	-	25.12	0.00
Strategic China Panda Fd - USD Inst	$ 1059.34	-	9.89	0.00
Strategic Euro Bond Fd - Acc	€ 1134.39	-	-0.17	-
Strategic Euro Bond Fd - Dist	€ 1011.58	-	-0.15	1.28
Strategic Euro Bond Fd - EUR Inst	€ 1016.09	-	-0.14	-
Strategic Europe Value Fd - EUR	€ 216.98	-	0.14	-
Strategic Europe Value Fd - EUR Inst	€ 191.01	-	0.13	-
Strategic Europe Value Fd - EUR Inst Dist	€ 103.83	-	0.07	0.00
Strategic Europe Value Fd - Euro R Class	€ 101.94	-	0.06	-
Strategic European Smaller Companies Fd - EUR	€ 1323.82	-	4.37	0.00
Strategic Global Bond Fd - RMB	$ 1039.56	-	2.48	0.00
Strategic Global Bond Fd - USD	$ 1050.33	-	0.96	-
Strategic Global Quality Fd - USD	$ 118.27	-	0.76	-
Strategic Global Quality Fd - USD Inst	$ 127.62	-	0.83	-
Strategic Quality Emerging Bond Fd - EUR Inst	€ 1030.11	-	1.04	0.00
Strategic Quality Emerging Bond Fd - USD	$ 1046.05	-	1.15	-
Strategic US Momentum and Value Fd - USD Class	$ 803.48	-	-1.28	-
Strategic US Momentum and Value Fd - USD Inst	$ 537.73	-	-0.85	-

Superfund Asset Management GmbH
www.superfund.com, +43 (1) 247 00
Regulated

Fund	Bid	Offer	+/-	Yield
Superfund Green EUR SICAV	€ 826.92	-	-0.44	0.00
Superfund Red EUR SICAV	€ 796.96	-	2.47	0.00
Superfund Blue EUR	€ 839.43	-	0.42	0.00

Thesis Unit Trust Management Limited (UK)
Exchange Building, St Johns Street, Chichester, West Sussex, PO19 1UP
Authorised Funds

Fund	Bid	Offer	+/-	Yield
TM New Court Fund A 2011 Inc	£ 14.56	-	-0.01	0.00
TM New Court Fund - A 2014 Acc	£ 14.60	-	-0.01	0.00
TM New Court Equity Growth Fund - Inc	£ 15.11	-	0.00	0.00

Toscafund Asset Management LLP (UK)
www.toscafund.com
Authorised Funds

Fund	Bid	Offer	+/-	Yield
Aptus Global Financials B Acc	£ 3.96	-	0.01	-
Aptus Global Financials B Inc	£ 3.25	-	0.00	-

Toscafund Asset Management LLP
www.toscafund.com
Other International Funds

Fund	Bid	Offer	+/-	Yield
Tosca A USD	$ 313.10	-	8.82	-
Tosca Mid Cap GBP	£ 298.41	-	-0.99	-
Tosca Opportunity B USD	$ 422.76	-	-0.08	-
Pegasus Fund Ltd A-1 GBP	£ 71.72	-	0.66	0.00

TreeTop Asset Management S.A. (LUX)
Regulated

Fund	Bid	Offer	+/-	Yield
TreeTop Convertible Sicav				
International A	€ 318.54	-	0.58	-
International B	$ 418.41	-	1.41	0.00
International C	£ 136.89	-	0.40	-
International D	€ 286.39	-	0.50	-
TreeTop Global Sicav				
Global Opp.A	€ 159.47	-	-0.12	0.00
Global Opp.B	$ 161.82	-	0.37	0.00
Global Opp.C	£ 227.04	-	0.50	2.50
Sequoia Equity A	€ 164.35	-	-0.21	0.00
Sequoia Equity B	$ 175.60	-	0.45	-
Sequoia Equity C	£ 221.81	-	0.55	-

Troy Asset Mgt (1200) (UK)
40 Dukes Place, London EC3A 7NH
Order Desk and Enquiries: 0345 608 0950
Authorised Inv Funds
ACD Capita Financial Mgrs

Fund	Bid	Offer	+/-	Yield
Trojan Investment Funds				
Spectrum Fund O Acc	206.89	-	0.38	0.46
Spectrum Fund O Inc	200.07	-	0.37	0.46
Spectrum Income Fund O Acc	113.64	-	0.39	2.82
Spectrum Income Fund O Inc	108.00	-	0.37	2.88
Trojan Ethical Income O Acc	115.40	-	0.30	-
Trojan Ethical Income O Inc	111.97	-	0.29	-
Trojan Fund O Acc	302.61	-	0.27	0.36
Trojan Fund O Inc	249.78	-	0.22	0.36
Trojan Global Equity O Acc	289.84	-	-0.17	0.78
Trojan Global Equity O Inc	244.17	-	-0.14	0.79
Trojan Global Income O Acc	104.20	-	-0.08	-
Trojan Global Income O Inc	102.83	-	-0.07	-
Trojan Income O Acc	329.16	-	1.44	3.52
Trojan Income O Inc	196.13	-	0.86	3.64

UBS Asset Management (UK)
21 Lombard Street, London, EC3V 9AH
Client Services 0800 358 3012, Client Dealing 0800 358 3012
www.ubs.com/retailfunds
Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield
OEIC				
UBS Global Emerging Markets Equity C Acc	£ 0.71	-	0.00	1.16
UBS Global Optimal C Acc	£ 0.93	-	0.00	-
UBS UK Opportunities C Acc	£ 0.85	-	0.00	-
UBS US Equity C Acc	£ 1.14	-	0.00	-
UBS S&P 500 Index C Acc	£ 0.75	-	0.00	-
UBS Targeted Return C Acc	£ 13.58	-	0.04	1.21
UBS Sterling Corporate Bond Indexed C Acc	£ 0.60	-	0.00	2.86
UBS Multi Asset Income C Inc Net	£ 0.49	-	0.00	-
UBS UK Equity Income C Inc Net	£ 0.71	-	0.00	-
UBS Corporate Bond UK Plus C Inc Net	£ 0.53	-	0.00	-
UBS Global Allocation (UK) C Acc	£ 0.78	-	0.00	1.66
UBS Global Enhanced Equity Income C Inc	£ 0.46	-	0.00	8.47
UBS US Growth C Acc	£ 1.12	-	-0.01	-
UBS Emerging Markets Equity Income C Inc	£ 0.49	-	-0.01	-
UBS FTSE RAFI Dev 1000 Index J Acc	£ 137.28	-	0.52	-
UBS MSCI World Min Vol Index J Acc	£ 145.37	-	0.27	-

Unicapital Investments (LUX)
Regulated

Fund	Bid	Offer	+/-	Yield
Investments IV - European Private Eq.	€ 164.09	-	-28.22	18.28
Investments IV - Global Private Eq.	€ 238.25	-	0.00	8.18

Unicorn Asset Management Ltd (UK)
PO Box 10602, Chelmsford, Essex, CM1 9PD 0845 026 4287
Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield
UK Growth A Inc	553.35	-	1.58	-
Mastertrust A Inc ✠ F	476.15	-	0.69	-
UK Growth B Inc	556.60	-	1.59	1.23
Mastertrust B Inc ✠ F	428.07	-	0.63	-
Outstanding British Cos A Acc ✠ F	291.84	-	0.40	0.24
Outstanding British Cos B Acc ✠ F	308.05	-	0.43	0.91
UK Smaller Cos A Inc ✠ F	546.05	-	0.21	1.03
UK Smaller Cos B Inc ✠ F	535.19	-	0.22	1.64
UK Income A Acc ✠ F	307.98	-	0.27	-
UK Income A Inc ✠ F	260.44	-	0.23	3.59
UK Income B Acc ✠ F	330.67	-	0.30	-
UK Income B Inc ✠ F	279.76	-	0.25	3.57

Value Partners Hong Kong Limited (IRL)
www.valuepartners.net, fis@vp.com.hk
Regulated

Fund	Bid	Offer	+/-	Yield
Value Partners Asia Dividend Stocks Fund	$ 10.40	-	0.07	0.00
Value Partners Classic Equity Fund USD Z Unhedged	$ 12.74	-	0.09	0.00
Value Partners Classic Equity Fund CHF Hedged	SFr 12.91	-	0.09	0.00
Value Partners Classic Equity Fund EUR Hedged	€ 13.13	-	0.10	0.00
Value Partners Classic Equity Fund GBP Hedged	£ 13.56	-	0.09	0.00
Value Partners Classic Equity Fund GBP Unhedged	£ 16.19	-	0.10	0.00
Value Partners Classic Equity USD Hedged	$ 15.87	-	0.12	0.00
Value Partners Global Emerging Market Bond Fund	$ 10.28	-	0.03	0.00
Value Partners Greater China Equity Fund	$ 10.07	-	0.03	0.00
Value Partners Health Care Fund RMB Class Z Unhedged	CNH 11.61	-	0.06	0.00
Value Partners Health Care Fund HKD Class A Unhedged	HK$ 10.59	-	0.07	0.00
Value Partners Health Care Fund USD Class A Unhedged	$ 10.57	-	0.06	0.00

Waverton Investment Funds Plc (1600)F (IRL)
waverton.investments@citi.com
FCA Recognised

Fund	Bid	Offer	+/-	Yield
Waverton Asia Pacific A USD	$ 21.56	-	0.14	-
Waverton Global Equity Fund A GBP	£ 18.58	-	-0.04	0.18
Waverton Global Strategic Bond Fund A USD	$ 8.55	-	-0.02	4.61
Waverton UK Fund A GBP	£ 14.47	-	0.09	1.78
Waverton Equity Fund A GBP	£ 17.99	-	0.02	0.17
Waverton Sterling Bond Fund A GBP	£ 9.59	-	0.01	4.96

WA Fixed Income Fund Plc (IRL)
Regulated

Fund	Bid	Offer	+/-	Yield
European Multi-Sector	€ 118.93	-	0.17	0.00

Yapi Kredi Asset Management (TUR)
www.yapikrediportfoy.com.tr Tel: + 90 (212) 385 48 48
Other International Funds

Fund	Bid	Offer	+/-	Yield
Eurobond Fund	TRY 0.099029	-	-1.282317	-
Koc Affiliate and Equity Fund	TRY 0.953802	-	-0.427544	-
DPM Bonds and Bills Fund (FX)	$ 1.035014	-	-0.346332	-

Yuki International Limited (IRL)
Tel +44-20-7269-0207 www.yukifunds.com
Regulated

Fund	Bid	Offer	+/-	Yield
Yuki Mizuho Umbrella Fund				
Yuki Mizuho Japan Dynamic Growth	¥ 7884.00	-	41.00	0.00
Yuki Japan Low Price	¥ 33728.00	-	332.00	-
Yuki Japan Value Select	¥ 16989.00	-	138.00	-
Yuki Asia Umbrella Fund				
Yuki Japan Rebounding Growth Fund JPY Class	¥ 29155.00	-	299.00	0.00
Yuki Japan Rebounding Growth Fund USD Hedged Class	$ 1129.68	-	11.91	0.00

Zadig Gestion (Memnon Fund) (LUX)
FCA Recognised

Fund	Bid	Offer	+/-	Yield
Memnon European Fund I GBP	£ 159.11	-	1.86	0.00

Money Market Trusts and Bank Accounts

CCLA Investment Management Ltd
Senator House 85 Queen Victoria Street, London EC4V 4ET

Fund	Gross	Net	Gross AER	Int Cr
CBF Church of England Deposit Fund	0.25	-	0.25	Qtr

CCLA Fund Managers Ltd
Senator House 85 Queen Victoria Street, London EC4V 4ET

Fund	Gross	Net	Gross AER	Int Cr
COIF Charities Deposit Fund	0.20	-	0.20	Qtr

Data Provided by

MORNINGSTAR

www.morningstar.co.uk

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Guide to pricing of Authorised Investment Funds: (compiled with the assistance of the IMA. The Investment Management Association, 65 Kingsway, London WC2B 6TD. Tel: +44 (0)20 7831 0898.)

OEIC: Open-Ended Investment Company. Similar to a unit trust but using a company rather than a trust structure.

Different share classes are issued to reflect a different currency, charging structure or type of holder.

Selling price: Also called bid price. The price at which units in a unit trust are sold by investors.

Buying price: Also called offer price. The price at which units in a unit trust are bought by investors. Includes manager's initial charge.

Single price: Based on a mid-market valuation of the underlying investments. The buying and selling price for shares of an OEIC and units of a single priced unit trust are the same.

Treatment of manager's periodic capital charge: The letter C denotes that the trust deducts all or part of the manager's/operator's periodic charge from capital, contact the manager/operator for full details of the effect of this course of action.

Exit Charges: The letter E denotes that an exit charge may be made when you sell units, contact the manager/operator for full details.

Time: Some funds give information about the timing of price quotes. The time shown alongside the fund manager's/operator's name is the valuation point for their unit trusts/OEICs, unless another time is indicated by the symbol alongside the individual unit trust/OEIC name.

The symbols are as follows: ✠ 0001 to 1100 hours; ♦ 1101 to 1400 hours; ▲1401 to 1700 hours; # 1701 to midnight. Daily dealing prices are set on the basis of the valuation point, a short period of time may elapse before prices become available. Historic pricing: The letter H denotes that the managers/operators will normally deal on the price set at the most recent valuation. The prices shown are the latest available before publication and may not be the current dealing levels because of an intervening portfolio revaluation or a switch to a forward pricing basis. The managers/operators must deal at a forward price on request, and may move to forward pricing at any time. Forward pricing: The letter F denotes that that managers/operators deal at the price to be set at the next valuation.

Investors can be given no definite price in advance of the purchase or sale being carried out. The prices appearing in the newspaper are the most recent provided by the managers/operators. Scheme particulars, prospectus, key features and reports: The most recent particulars and documents may be obtained free of charge from fund managers/operators. * Indicates funds which do not price on Fridays.

Charges for this advertising service are based on the number of lines published and the classification of the fund. Please contact **data@ft.com or call +44 (0)20 7873 3132** for further information.

Morningstar Fund Ratings
US Fund World Large Stock

Name	ISIN	Currency	NAV	Total Ret 1Yr	Total Ret 3Yr	Total Ret 5Yr	12 Month Yield	Ongoing Charge	Fund Size	Morningstar Rating ™	Morningstar Sustainability Rating ™	Morningstar Analyst Rating ™	Morningstar Analyst Rating Date/Time*	Morningstar Analyst
Artisan Global Opportunities Inv	US04314H8245	US Dollar	23.98	21.68	**11.45**	13.84	0.00	-	2,134,617,814	★★★★★	●●●○○	Silver	13/10/2016 05:38	Greg Carlson
Thornburg Global Opportunities I	US8852153274	US Dollar	29.93	22.80	**9.82**	16.71	0.84	-	2,146,246,170	★★★★★	●○○○○	Bronze	19/12/2016 10:43	William Samuel Rocco
Virtus Vontobel Global Opportunities A	US92828R4469	US Dollar	15.54	18.51	**9.56**	12.22	0.30	-	206,670,481	★★★★	●○○○○	Bronze	27/03/2017 04:18	Gregg Wolper
Touchstone Sustainability & Imp Eq A	US89154X3026	US Dollar	22.65	19.30	**9.50**	10.75	0.50	-	320,681,157	★★★★	●●●●○	**Neutral**	19/01/2017 09:03	David Kathman, CFA, Ph.D.
AB Sustainable Global Thematic A	US0187801065	US Dollar	102.42	28.66	**9.48**	12.42	3.49	-	734,299,612	★★★	●●●○○	**Under Review**	02/05/2017 09:23	Tony Thomas
Harding Loevner Global Equity Advisor	US4122952066	US Dollar	37.48	23.00	**9.38**	11.45	0.11	-	918,004,416	★★★★	●●○○○	Silver	06/03/2017 10:38	William Samuel Rocco
Davis Global A	US2390808721	US Dollar	22.74	24.74	**9.26**	14.89	0.00	-	773,385,290	★★★★	●○○○○	Bronze	16/11/2016 11:13	Dan Culloton
American Funds New Perspective A	US6480181097	US Dollar	40.87	20.44	**8.66**	13.04	0.71	-	67,428,517,020	★★★★★	●●●○○	Gold	29/12/2016 10:08	Alec Lucas, Ph.D.
American Funds New Perspective A	US6480181097	US Dollar	40.87	20.44	**8.66**	13.04	0.71	-	67,428,517,020	★★★★★	●●●○○	Gold	29/12/2016 10:08	Alec Lucas, Ph.D.
Oakmark Global Select Investor	US4138388222	US Dollar	18.79	30.39	**8.36**	14.71	0.91	-	2,544,399,840	★★★★★	●●●●●	Silver	21/12/2016 07:58	Greg Carlson
VY® Oppenheimer Global I	US92914K6516	US Dollar	19.58	26.75	**7.74**	13.72	1.05	-	1,558,086,763	★★★★	●●●●○	Silver	22/06/2016 07:33	Patricia Oey
MSCI Benchmark				20.13	**1.35**	7.32								
Morningstar Category Benchmark				18.45	**5.52**	10.69								

Date/Time of ratings is Universal Co-ordinated Time (UTC). Sorted by Annualised 3yr Total Return of NAV (highest to lowest).

For important information about Morningstar Analyst Rating please go to: http://global.morningstar.com/managerdisclosures

MORNINGSTAR

IPOs

Private capital and lure of sales drive flotation drought

Market draw

This week's 20th anniversary of Amazon's initial public offering has thrown into sharp relief the stagnation in public equity markets in the US.

Finger-pointing at burdensome regulatory requirements of going public is giving way to a discussion about longer-term headwinds such as the availability of private funding and the culture of litigation in the US.

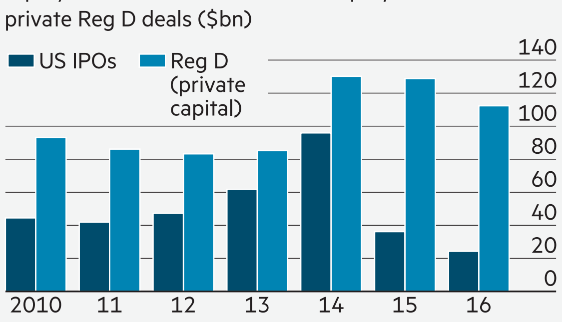
The abundance of private capital has swelled the herd of so-called unicorns, or private companies valued at more than $1bn. With private markets flush with cash, the latest crop of hot tech companies has opted to stay private longer.

While private capital is one factor deflating the IPO market, an increase in the number of venture-capital backed companies opting to sell instead is another factor.

According to research by Jay Ritter, a professor of finance at the University of Florida, during 1990-91, 20 per cent of the exits of successful venture backed companies were M&A transactions, typically sales to a larger company in the same industry, and by 1998-2000, 60 per cent were sales and for 2001-16 that share jumped to about 90 per cent.

Private capital swells, slowing IPO market

Equity raised via IPOs in the US v equity raised via private Reg D deals ($bn)



Sources: Committee on Capital Markets Regulation; Dealogic; FormDs.com

Investors at risk

The Amazon anniversary is not just drawing attention to the dearth of US initial public offerings. The stellar returns the stock has recorded — it is the best performing IPO in the US since 1995 — is also raising concern that future retirees who rely on investments in the stock market will miss out on returns as companies stay private for longer.

While even large mutual funds have begun investing in companies while they are private and recent years and pension funds have exposure to venture capital, the decline in public listings has raised concern that individual investors are being cut out of the returns potentially offered by young, fast-growing companies and subjected to less portfolio diversification.

Funds holding the most private firms

Funds	Number of firms	% Aum*
T Rowe Price New Horizons	33	4.86
Fidelity Growth Company	30	2.27
Hartford Capital Appreciation A	29	2.83
Fidelity Blue Chip Growth	25	2.69
Fidelity OTC	25	2.95
Fidelity Series Growth Company	25	1.58
Hartford Global Capital Appreciation A	24	1.94
Hartford Growth Opportunities A	21	6.70
Fidelity Series Blue Chip Growth	20	3.52
Fidelity Contrafund	18	1.66

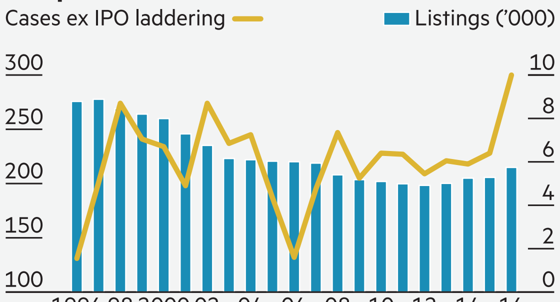
* Assets under management

Source: Morningstar Data as of Q2 2016

Legal deterrent

Some point to the threat public companies face from class-action lawsuits as diminishing the appeal of IPOs. Letting shareholders choose whether they want securities class actions is "the real low-hanging fruit," in a quest to increase the volume of IPOs, says John Gulliver, of the Committee on Capital Markets Regulation, a policy group. It says these impose costs on companies and hurt stock prices, but fail to deter wrongdoing or compensate harmed investors. It would like a system of arbitration.

Class action filings and number of companies listed in the US



Sources: NERA Economic Consulting; Meridian Securities Markets

Capital markets

BBVA debt sale shows market maturity

Spanish lender demand unaffected by concerns over Banco Popular

ROBERT SMITH

The growing maturity of the market for the riskiest European bank debt was underlined yesterday when BBVA sold bonds at the lowest ever rate for a Spanish lender, even though similar debt securities from Banco Popular traded at deeply distressed levels.

Demand for debt sales from Spanish lenders has been red hot in 2017, with Spanish banks having already sold more bonds so far this year than for the whole of 2016.

BBVA raised €500m of new additional tier-one bonds at a yield of just 5.875 per cent. The bonds were sold to about 10 large asset managers, according to market sources, in a private debt sale arranged by Goldman Sachs.

Additional tier-one bonds are designed to expose debt investors to losses at times of distress, effectively shoring up the bank's balance sheet.

The value of such bonds from Banco Popular has see-sawed in the secondary market this week, on the back of speculation about whether another Spanish bank will acquire the lossmaking lender.

Banco Popular has to raise billions of euros in extra capital. Subordinated debt holders could face severe losses if a white knight does not step in.

Its additional tier-one bonds are trading at double-digit yields as a result, with some quoted as low as 75 cents on the euro.

One banker specialising in financial bonds said that the fact that BBVA was still able to execute on its debt sale, despite the concerns around its smaller peer, showed the growing sophistication of the market for riskier bank debt.

"If you go back to the first quarter of last year, concerns around Deutsche Bank's ability to pay coupons meant the whole AT1 market fell apart," he said.

"I think it shows there's a great maturity in the market now that investors are able to look at Banco Popular as an isolated or idiosyncratic incident and assess the health of other Spanish banks on their own merits."

The way BBVA conducted its debt sale suggests that the Spanish lender was not willing to take any chances, however.

Several bankers said that Goldman Sachs had offered BBVA hard underwriting, guaranteeing that the issuer would not have to pay more than an agreed rate of annual interest, but leaving the underwriter on the hook if they could not sell the deal at that price.

€500m
T
-
VA
5.875%
T

BBVA said that all of the bonds were placed to "real investors", meaning that no underwriting commitment was executed.

But it declined to comment on whether an underwriting commitment had been offered as a backstop in case the bond was not fully sold.

BBVA is not the first peripheral European lender to turn to the private market to nullify market risk on an additional tier-one sale.

In December, UniCredit sold €500m of these bonds to a handful of investors at a chunky 9.25 per cent yield.

At the time, the Italian lender was still to complete its €13bn rights issue and concerns were at their height around whether subordinated debt at Monte dei Paschi di Siena would be "bailed in".

Analysis. Capital markets

Muni bonds buoyed by Trump stimulus doubts

Local government debt retains its scarcity premium as flood of issuance remains on hold

ERIC PLATT AND ALEX SCAGGS
NEW YORK

One sector of the US bond market has been rewarding for fixed income investors as prospects for the Trump administration's proposed spending and tax reforms fade.

Stagnant sales of bonds by local governments and authorities as they focus on budgetary discipline has helped fuel unexpected strength in municipal bond valuations, a largely tax free security favoured by investors domiciled in states with high taxes.

The S&P municipal bond index — the sector's benchmark — remains less than 2 per cent below its all-time high set last July. It has returned 2.1 per cent so far this year. Taxable US Treasuries and investment grade corporate bonds have returned 1.2 per cent and 2.6 per cent respectively over the same period, according to Bloomberg Barclays Indices.

With Donald Trump's presidency beset by controversy, investors are less optimistic that the administration will implement its pro-growth agenda that includes hefty spending on infrastructure at the state and local level and tax reform.

"The fear originally was . . . won't there be a flood of bond supply and won't that negatively impact the muni market," says Ben Barber, the head of municipal asset management at Goldman Sachs Asset Management. "That's not the case any more."

While Mr Trump actively campaigned on public-private partnerships without increased borrowing, observers were not convinced his goal of $1tn in spending could come without higher debt issuance from local governments.

The American Society of Civil Engineers gave the US a grade of D+ for its infrastructure, and last year estimated a 10-year investment shortfall of $2tn. At the start of the year, investors expected infrastructure spending to get a boost from the election result. And if issuance had picked up as a result, the scarcity premium would be removed for munis.

However, so far this year, US states and cities have issued a tenth less debt than last year, according to data from Thomson Reuters. That fits a wider, seven-year trend: While the mostly tax-exempt $3.8tn asset class more than doubled in size between 2000 and 2009, growth has subsequently been stagnant. The amount of securities outstanding has even contracted over several years, as more bonds matured or were called than those that were newly issued.

President Trump campaigned on public/private partnerships to upgrade US infrastructure without increasing borrowing, but his policies have yet to come to fruition — Andrew Harrer/ Bloomberg

"You are not seeing issuers embark on large scale projects," says Peter Block, a strategist with Ramirez & Co, an investment bank known for its municipal bond underwriting business.

Municipalities chose to tighten their belts as tax revenues fell following the financial crisis, despite strong demand for fixed income from yield-hungry investors. This increasingly includes international investors, who have been squeezed out of their traditional areas by stimulus from global central banks. Although foreign investors remain a relatively small portion of the market, their municipal holdings more than doubled between 2006 and 2016, according to Citigroup.

While the size of the muni market is essentially unchanged, the market for corporate bonds has swelled 44 per cent in the past seven years. The amount of US federal-government debt outstanding roughly doubled, according to data from the Securities Industry and Financial Markets Association. "It's a supply driven phenomenon at the moment," says Guy Davidson, director of municipal bond management at AllianceBernstein. "The story has really been a lack of supply. While new issue volume . . . should pick up in the second quarter, the number of bonds maturing and being called over the next six months is the largest on record."

The implications of the Trump Administration's tax reform proposal for the municipal bond market also remain in question.

While investors in stocks and corporate bonds have been great proponents of tax cuts, seen as a simple way to bolster profit margins, municipal bond portfolio managers have hoped for the opposite. If passed, cuts to personal taxes — including capital gains — could make taxable investments such as corporate bonds or Treasuries even more competitive. It ultimately could weigh on demand for municipal bonds.

But despite an outline on what the Trump administration plans, including reducing the top personal rate from 39.6 per cent to 35 per cent and slashing the headline corporate rate to 15 per cent, muni prices have barely budged.

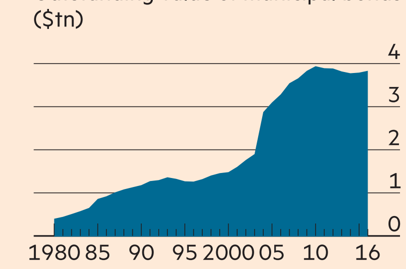
"Investors are getting more comfortable with the concept that tax reform will be harder to pull off," says James Iselin, head of municipal securities for Neuberger Berman. "It may take longer . . . and where we end up may not be as bad as the worst-case scenarios people were talking about right after the election."

There is also a chance the administration's proposed removal of the state and local tax deduction and alternative minimum tax could encourage investors in high-tax states to buy more municipal bonds, according to Standish Mellon Asset Management. The firm wrote after the proposal's release that while a corporate tax cut could lead to a gradual decline in demand for municipal bonds, "widespread selling is unlikely."

With the prospect of meaningful tax reform further away, investors have turned their attention back to the fundamentals of the market, which broadly bode well for investors.

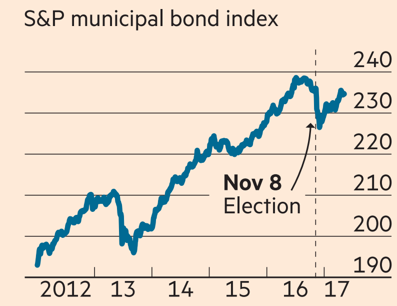
Municipal bond market stagnant since 2009

Outstanding value of municipal bonds ($tn)



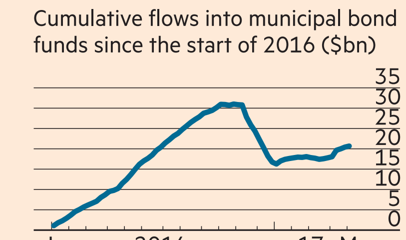
Munis have retreated since US election

S&P municipal bond index



Flows into muni bond funds resume

Cumulative flows into municipal bond funds since the start of 2016 ($bn)



Sources: Securities Industry and Financial Markets Association; Standard & Poor's; Bloomberg; EPFR

Analysis. Equities

Hong Kong selfie app in then out of China index after MSCI about turn

YUAN YANG AND DAN MCCRUM

A selfie-app company learnt the value of index membership yesterday, when shares in Meitu Inc dropped 9 per cent after MSCI said the Hong Kong-listed stock would not, as previously announced, enter its China index in June.

MSCI had included Meitu in a list of planned index changes published on Monday.

The sudden reversal highlights the power of index providers to direct money and attention towards little-known companies.

Meitu has a mostly young and female following of more than 450m active monthly users. The company makes most of its revenue from smartphone sales, but has no profits to date — and does not expect to make any this year or the next.

No explanation was given for the change until after markets closed, when MSCI released a statement suggesting the initial planned inclusion of Meitu was an error.

The company said "following additional analysis", Meitu did not meet the index's minimum free-float requirements, determined by the proportion of a company's stock available to be bought and sold.

MSCI said this free-float did not include shares bought by investors before Meitu's recent initial public offering, which cannot be sold in the first six months of trading.

So-called "lock-up" arrangements are common in Hong Kong, both for early investors and "cornerstone" investors willing to take a large position in an IPO. This means newly issued shares can struggle to attract attention due to thin trading volumes.

"Applications for indexes are meticulously researched, so something very strange must have gone on," said Will McFadden, head of equity sales at NSBO, a China-focused investment bank.

Meitu was valued at more than $5.3bn after its December IPO, when it raised $639m from the sale of 12 per cent of its total shares.

Meitu

Share price (HK $)

Source: Thomson Reuters Datastream

Of the shares offered, a quarter went to cornerstone investors.

Because the six-month lock-up period for Meitu's investors ends on June 13, it is possible that MSCI will have to make a second U-turn at its next review of the China index, a high-profile collection of mainland Chinese businesses listed overseas and so available to international investors.

A common trading strategy is to anticipate changes to the composition of popular indices, knowing that funds that track an index or measure their performance against it may be forced to buy stocks scheduled for membership.

"It damages MSCI's reputation. Will people have to wait to see if they change their minds the next time they include something in the index?" said Mr McFadden.

MSCI declined to comment further.

The index provider believes that Meitu's actual free float is less than its minimum of 15 per cent — due to shares being held by major pre-IPO investors, who cannot sell shares until next month.

The company's shares are heavily concentrated in the hands of its top five shareholders, who collectively own 56 per cent of the company.

The Hang Seng index closed 0.17 per cent down at 25,293.63 yesterday.

MARKETS & INVESTING

TRADING POST

Jamie Chisholm

Keep an eye on the Canadian dollar as the week draws to a close and the central bank's monetary policy decision looms on Wednesday.

Canadian inflation data for April and retail sales numbers for March are due for release tomorrow.

Royal Bank of Canada forecasts that annual consumer price inflation will be up from 1.6 per cent in March to 1.8 per cent. RBC expects consumers to have increased spending by 0.3 per cent month on month, rebounding from a 0.6 per cent contraction.

Can these reports help to extend the loonie's mild rally of the past several sessions?

The currency hit C$1.3793 per dollar at the start of May, its weakest since February 2016, amid worries about increased trade protectionism out of Washington.

The loonie's trough came around the time the Trump administration slapped tariffs on Canadian lumber.

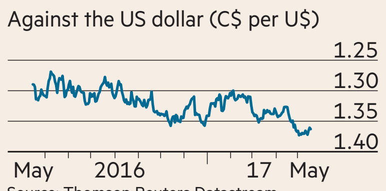
Weaker oil prices also took their toll. Crude is an important export for Canada and the three-month rolling correlation between the loonie and oil this week touched 0.75, its highest since September, according to Reuters.

Brent crude's latest bounce, on a pledge by Russia and Saudi Arabia to extend production cuts, has thus contributed to the loonie's climb off its lows.

Market positioning may be helping, too. Data from the US Commodity Futures Trading Commission show speculators are net short 86,215 loonie futures contracts. That is already the most bearish stance on record.

jamie.chisholm@ft.com

Canadian dollar
Against the US dollar (C$ per U$)



Source: Thomson Reuters Datastream

Global overview

Risk aversion gathers momentum as political fears grip White House

Speculation over harm to presidency and talk of impeachment hit stocks and dollar as investors seek safety

DAVE SHELLOCK

Mounting political turmoil in Washington fuelled a wave of risk aversion across global markets, wiping out Wall Street's gains for May and pushing the dollar to fresh six-month lows while bolstering "core" government bonds, the yen and gold.

Claims that President Donald Trump had attempted to interfere in an FBI investigation into former national security adviser Michael Flynn were at the heart of the latest controversy.

The reports came hard on the heels of allegations that Mr Trump had revealed sensitive information to Russian officials, and heightened concerns that the administration's pro-growth policies could be derailed.

"Risk aversion is tightening its grip on markets amid a sense that a deepening crisis may be descending on the White House," said Shaun Osborne, chief FX strategist at Scotiabank.

"It is no stretch to say that speculation regarding the future of the presidency is rising."

Analysts at Nomura said sacked FBI chief James Comey seemed likely to testify in front of the Senate as early as next week — "which may put impeachment expectations further in the spotlight for markets.

"However, impeachment still seems a distant prospect, meaning negative market effects are likely to be more limited over the medium term.

"Meanwhile, the negative impacts that the latest developments have on Mr Trump's ability to pursue his policy agenda could be more important for markets." Global **equities** have rallied sharply since Mr Trump's election victory — with benchmark indices in the US, Germany and the UK reaching record highs in recent days — amid hopes for tax reform, infrastructure spending and lighter regulation.


Odd Andersen/AFP/Getty Images

German equities overheating? — FT.com/video
The nation's equities have been popular as investors switch cash from the US to Europe. The FT's Jonathan Eley reports

Yesterday, however, Wall Street's S&P 500 was down 1.1 per cent at 2,373 at midday in New York — putting it on track for its worst day in two months — with financials and technology stocks bearing the brunt of the losses.

The Nasdaq Composite index, which closed at a record high on Tuesday, was down 1.7 per cent.

In a further sign of the market's nervous mood, the CBOE Vix volatility index was up 23 per cent at 13.11 — but still well below its long-term average of 20.

Across the Atlantic, the Xetra Dax in Frankfurt fell 1.4 per cent and London's FTSE 100 eased 0.3 per cent while the pan-European Stoxx 600 shed 1.2 per cent.

Meanwhile, the dollar index, a measure of the US **currency** against a weighted basket of peers, was down a further 0.5 per cent at 97.64, its lowest point since November's election.

Yesterday's move took the dollar's decline over the past four days to 2 per cent and left it 6 per cent below a 14-year high struck at the start of the year.

Ulrich Leuchtmann, currency analyst at Commerzbank, posed the question of how much further the dollar might drop.

"We can neither assume that the constant flow of scandalous news will end, nor that the president's Twitter deluge will ease," he said.

"However, we are likely to see everyone getting used to this kind of newsflow to some extent — so that the dollar's negative momentum will ease. Of course it is also true that it is possible that the chaos we are seeing in Washington will jump to a new quality."

The euro was up 0.5 per cent against the dollar to $1.1133, with further support coming from confirmation that eurozone consumer price inflation had risen back to an annual pace of 1.9 per cent last month, just shy of the four-year peak hit in February.

The dollar was down a hefty 1.5 per cent versus the yen at ¥111.38 as the Japanese currency's appeal as a haven in times of turmoil came to the fore. The US unit was also 0.6 per cent weaker against the Swiss franc at SFr0.9802.

In a similar vein, highly rated **government bonds** rose sharply as the "flight-to-quality" gathered pace.

The 10-year Treasury yield, which moves inversely to its price, was down 9 basis points to a four-week low of 2.24 per cent while the two-year yield was 4bp lower at 1.25 per cent. That took the spread between the two maturities to the lowest level since November 8.

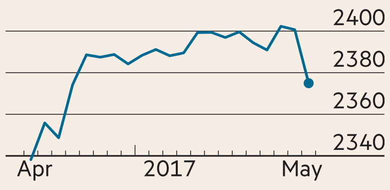
The German 10-year Bund yield fell 5bp to 0.38 per cent. **Gold**, meanwhile, was up $21, or 1.7 per cent, at $1,257 an ounce — its highest point this month.

It was also a better day for **oil** markets following the latest data on US inventories. Total crude stocks fell by 1.8m barrels last week, although that was a smaller drawdown than analysts had expected.

Nevertheless, Brent, the international crude benchmark, was up 1.5 per cent at $52.41 a barrel while US West Texas Intermediate rose 1 per cent to $49.12.

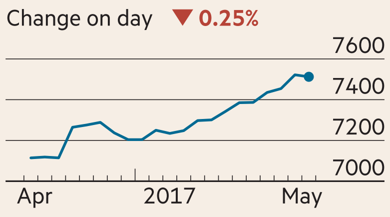
Markets update

S&P 500 index
Change on day ▼ 1.18%



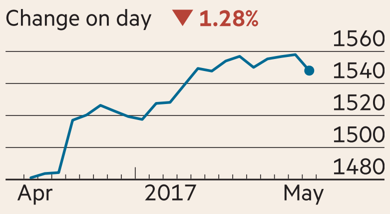
US equities Uncertainty about the outlook for the Trump administration's pro-growth policies drove US stocks sharply lower as the political turmoil in Washington dominated sentiment

FTSE 100 index
Change on day ▼ 0.25%



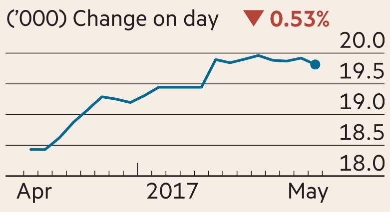
UK equities A nine-day run of gains that took the FTSE 100 to a record closing high on Tuesday finally came to a halt, with mining and banking stocks among the biggest decliners

Eurofirst 300 index
Change on day ▼ 1.28%

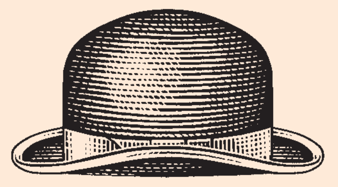


European equities The political turmoil in the US left the Eurofirst 300 nursing its biggest one-day fall since September, with the financial and industrial sectors the hardest-hit

Nikkei 225 index
('000) Change on day ▼ 0.53%



Japanese equities The Nikkei lost ground as the yen rose against the dollar amid growing concerns about the political situation in Washington



London

Reckitt Benckiser nears record high after broker turns positive

Bryce Elder

Reckitt Benckiser was an outperformer yesterday even as the FTSE 100 broke a nine-day winning streak.

Reckitt ended just below a record high, up 1.3 per cent to £76.11, after Redburn turned positive. A deep dive into the US and Chinese markets for milk formula shows the shrewdness of Reckitt's Mead Johnson acquisition, which can deliver double-digit group earnings growth out to 2021, it said.

China, Mead's problem market, should stabilise from next year because international companies will benefit most from a law to limit the number of brands produced in a single factory, said Redburn. And in the US, it saw Reckitt improving sales by exploiting the "halo effect" around Mead's position as lead formula supplier to the US government's infant nutrition programme.

Dollar weakness weighed on the wider market as the FTSE 100 drifted back from a record high, down 0.3 per cent or 18.56 points at 7,503.47. The gathering crisis in the White House populated the fallers board, with US infrastructure spending plays such as **Ashtead**, off 3.8 per cent to £15.60, and **CRH**, down 3.5 per cent to £27.74.

Kingfisher rose 2.1 per cent to 365.7p after HSBC upgraded it in an otherwise downbeat review of the UK retailers.

The B&Q owner's four-year transformation plan "is radical, ambitious and has a lower risk than headline performance targets suggest", HSBC said. It also noted that 65 per cent of Kingfisher's earnings come from markets ripe for consolidation.

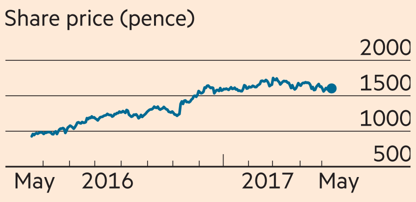
As part of the same research, HSBC turned cautious on **Dunelm**, down 4 per cent to 591.5p, and **N Brown**, off 0.8 per cent to 262p. Real wage growth has turned negative and inflation has accelerated in elastic areas such as food, which will squeeze discretionary demand just as input cost hedges roll off, HSBC forecast, adding: "In aggregate this suggests in the second half of the year, non-food retailers may face a period of falling demand and rising costs: a toxic combination."

Auto Trader fell 3.3 per cent to 405.5p after Berenberg started coverage with "sell" advice and a 350p target.

Growth may be slower and less profitable than the consensus expects, as consolidation among car dealers could pressure both pricing and volumes, Berenberg said. The broker, also worried about tighter credit requirements eating into used-car demand, forecast an increasing reliance on lower-margin ancillary services rather than classifieds and argued that since buyers take 12 hours on average to research their purchase, rival websites have a chance of taking market share.

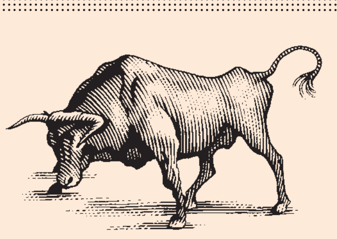
Hikma faded 2.8 per cent to £17.17, with Jefferies turning negative on the back of news last week that its generic version of the Advair inhaler will probably not win US approval this year.

Ashtead
Share price (pence)



Source: Thomson Reuters Eikon

Indices	Close	Day's change
FTSE 100	7503.47	-18.56
FTSE 250	19773.59	-102.30
FTSE 350	4158.30	-12.20
FTSE All-Share	4101.20	-11.90
FTSE All-Share Yield	3.47	-
FTSE 100 Futures	7464.00	-23.50
10 yr Gilt Yield	1.14	-0.06
20yr Gilt All-Share Ratio	0.52	-



Wall Street

Fallout over FBI saga hits lenders with rush into havens

Joe Rennison

Bank stocks retreated and more defensive sectors gained some ground as investors reacted to further headwinds battering the so-called "Trump trade" yesterday.

The S&P 500 banks index fell 2.8 per cent in morning trading, trailing the broader index that dropped 1.1 per cent to 2,374 and lagging more defensive sectors such as real estate and utilities, which gained 0.3 per cent and 0.1 per cent, respectively.

It marks another stage of a reversal of the sector rotation fuelled by expectations that President Donald Trump would spur economic growth through policies such as tax cuts and infrastructure spending.

Isaac Boltansky, a policy analyst at Compass Point Research, said the market "is beginning to consider what valuations should be if the Trump trade does not come to fruition".

The ructions in the administration caused by the dismissal of James Comey, the Federal Bureau of Investigation's director, hit markets yesterday spurred by revelations of a memo written by Mr Comey that sources tell the Financial Times shows Mr Trump attempting to interfere in the FBI's probe into former national security adviser Michael Flynn. It has amplified doubts about the timeline, and even likelihood, of the administration's economic agenda.

The CBOE's Vix index, a measure of implied volatility in US stock markets, saw its biggest one-day percentage rise since last September but remained at historically low levels at 13.61. The dollar declined to its lowest level since the US election.

Important measures of inflation expectations and future economic conditions also declined. The difference between the yield on the two-year and the yield on the 10-year Treasury has dropped to just over 1 percentage point, its lowest level since November 8.

The indicator is a measure of the "slope" of the Treasury curve. A steeper curve suggests a more positive view of future economic conditions, suggesting interest rates will rise more quickly. A flatter curve implies a more shallow trajectory for future interest rates.

The move comes as investors rush into haven assets such as Treasuries with the benchmark 10-year yield falling eight basis points yesterday morning to 2.24 per cent, its lowest level this month.

It is bad news for banks, which rallied after the election as longer-dated yields began to rise faster than shorter-dated yields, benefiting the ability of banks to earn money on longer-dated loans at a higher rate than they have to pay out on short-dated deposits.

But the view of near-term financial conditions remains relatively unaffected, with expectations of a rise in interest rates when the Federal Reserve next meets in June still high.

Markets & Investing
FINANCIAL TIMES

INSIGHT

David Sheppard

Opec approaches meeting with shrunken ambition

Energy ministers from Opec and its allies will roll into Vienna next week with one overriding goal: preventing another collapse in the oil price.

It is indicative of their reduced ambition that few members are prepared to talk of a significant recovery in the market, even as the cartel moves to extend its output cuts for another six to nine months.

This is where Opec is at. Six months ago when the cartel first agreed to reduce output, its own analysts were forecasting US oil production would contract in 2017 by 150,000 barrels a day, giving them space to try to bolster the price without conceding too much of the market.

Now, following an almost unprecedented rebound from battle-hardened shale drillers who have shown they can compete in a world of $50 a barrel oil, those same Opec analysts are forecasting US output will grow by 820,000 b/d this year — a near 1m b/d swing between the cartel's November and May meetings.

While other forecasters, including the International Energy Agency, see a smaller though still impressive US recovery, Opec's own numbers illustrate why its members will most likely emerge from next Thursday's meeting with a deal designed to manage the market rather than turn it to their favour.

The first six months of the supply deal has been, at best, a partial success with near record compliance from members and — slowly — co-operation from allies such as Russia taking cuts towards 1.8m b/d.

But its aim of drawing down record inventories, which have built up during the oil glut since mid-2014, has barely got started due to the recovery in US output, what appears to be weaker-than-expected demand growth, and exports that have not fallen as fast as production.

> It will probably try to manage the market rather than turn it in its favour

That has left Opec on the defensive, with Saudi Arabia's energy minister Khalid al Falih and his Russian counterpart, Alexander Novak — together responsible for more than a fifth of world oil production — announcing this week that they wanted the cuts extended by nine months rather than the previously mooted six.

It was taken by even ardent oil bulls as a token gesture at best, with prices barely responding, hovering close to the $50 a barrel level that has anchored Brent so far in 2017.

The first quarter of the year can be notoriously weak for demand once refiners have made their supplies of winter heating fuel, so there is little cost for Riyadh or Moscow in pushing to extend the length of the deal until next spring.

A bolder gambit for a cartel confident in its ability to shape markets might have seen Opec move to deepen the cuts but shorten their duration, taking more barrels out of the market over the peak demand summer months.

This would be one way to quickly draw down the inventory overhang and remove an obstacle to stabilising prices at a higher level, which most members desperately need to help balance their budgets.

But the odds of it pursuing this strategy are slim, partially due to the fear any jump in prices would be short-lived and present shale producers an easy opportunity to hedge more future production and potentially expand output even faster.

Instead, while shocks with Opec can never be ruled out, the most likely outcome from Thursday's meeting is the cartel sticking with its increasingly defensive strategy.

Lengthen the cuts and hope over time the slow erosion of inventories is enough to stop traders deciding to test both Opec's and the shale industry's mettle if they should try to push prices back towards $40 a barrel.

None of this is to say Opec has no power. Prices have averaged almost $54 a barrel so far in 2017, almost $15 a barrel more than in the same period last year.

Crude's partial recovery started when Opec first spoke about agreeing to freeze output in early 2016, and arguably its cuts since January have done just enough to keep the price propped up.

But in shale it has come up against an adversary that makes traditional measures of victory more elusive. Instead, the best Opec can hope for is to shore up its defences and hope that the efficiency-driven gains the US drillers have made don't go much further.

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Analysis. Equities

Cyber security investors hope for tipping point

After WannaCry, the industry must build upon short-term demand for protection

ADAM SAMSON — NEW YORK

The cyber security industry has been jolted into Wall Street's sights by the WannaCry attack that has caused problems across the world.

Investors have pushed up share prices in a range of companies offering defence against hackers. The PureFunds ISE Cyber Security ETF, with the ticker HACK, has climbed 3 per cent since last Thursday, before WannaCry swept Europe en route to another five continents. The S&P 500 rose just 0.2 per cent in that time.

Over the period, 34 of the 39 equities holdings in HACK have advanced, with big names such as Sophos, Barracuda Networks and FireEye all rallying more than 8 per cent. HACK on Monday saw the highest number of shares traded since August 2015 as the global scope of the attack emerged.

The dramatic reaction in the stock market has become familiar in recent years. Eager to tap into the furore, investors dive in, betting that corporate executives will call on information security specialists to shore up their systems.

While the WannaCry debacle is a "positive catalyst" for the industry, "it is still a big question whether you see it move the needle", says Ken Talanian, an analyst with Evercore ISI.

He adds that the malware, which scrambles files on its victims' hard drives and demands a payment to unscramble them, provides information security sales forces fodder to discuss with prospective clients.

Hilary Frisch, an analyst with ClearBridge Investments, agrees WannaCry will boost awareness among executives.

While WannaCry was a fairly "rudimentary" attack, compared with other high-profile incidents, the "indiscriminate nature" and broad reach may be a timely reminder for certain types of businesses, says Gur Talpaz, an analyst at Stifel Nicolaus.

"What this could mean is a shift from [targeted attacks] to the broader proliferation of worms," Mr Talpaz adds.

It also sharpens awareness of so-called ransomware, he says. While WannaCry has perhaps been the most high-profile incident, the number of unique types of ransomware detected shot up to 3.87m in 2016, from 2.55m in the previous year, and 643,000 the year before that, according to data from McAfee, a cyber security software provider.

Large companies typically have significant security teams in place to deflect such attacks, along with more advanced ones. However, small and medium-sized businesses are "more vulnerable", and have typically been "behind the ball", says Mr Talanian.

"We do not believe that there is a direct correlation with the rise in the prevalence of ransomware attacks to security spending, but it may be a catalyst for [small and medium businesses] that were historically less sophisticated to upgrade their technology".

> 'It may be a catalyst for [small and medium businesses] to upgrade their technology'

Ms Frisch also notes that spending on security has lagged behind the US, suggesting WannaCry could provide a wake-up call to Europe and Asia.

Still, whether such bouts of heightened awareness are ultimately "good for investors, I'm not so sure", adds Mr Talpaz.

The period from late 2013 to the end of 2015 is seen as something of a watershed moment for cyber security's role in corporate America. Target, the big US retailer, was hit during 2013's holiday shopping season with a data breach that ultimately contributed to the fall of its chief executive. In the following months other big-name companies, such as Home Depot, JPMorgan Chase and Anthem disclosed intrusions.

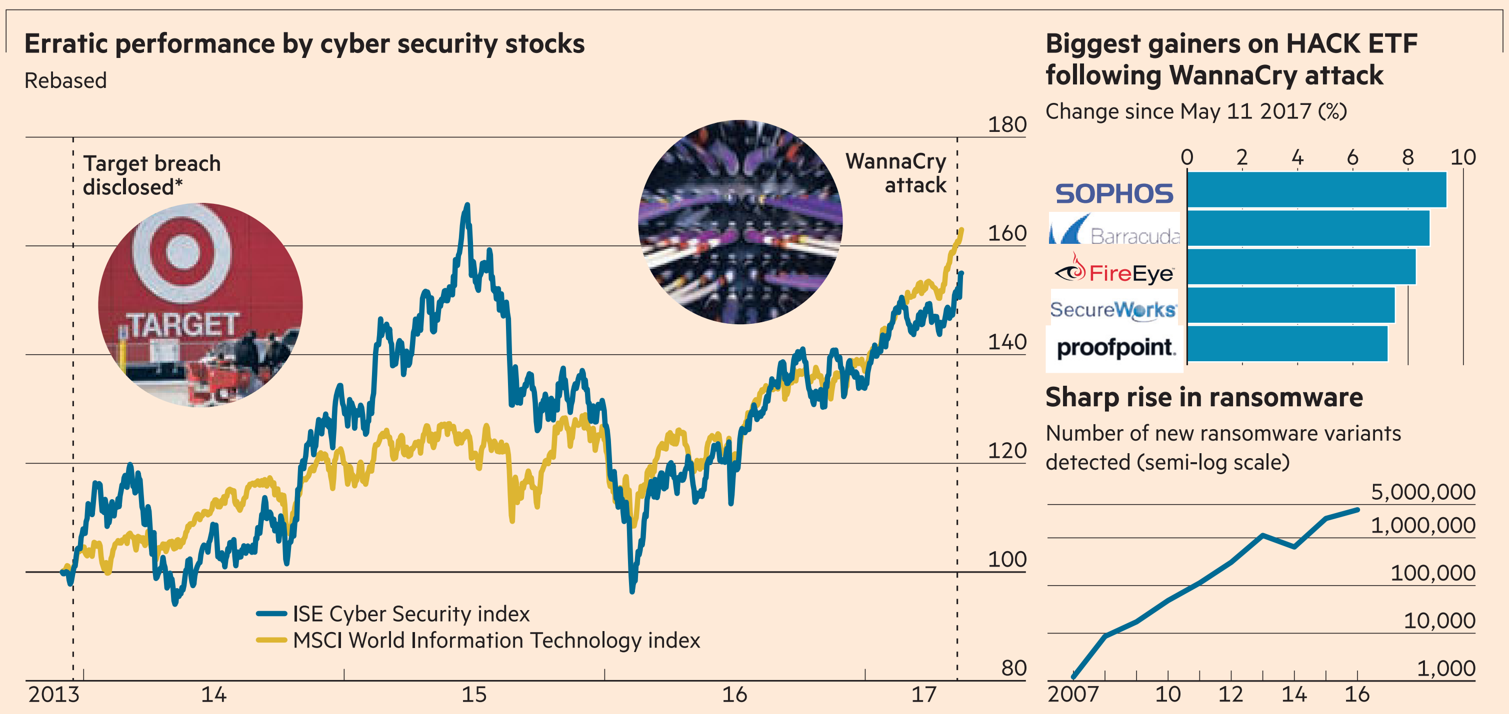
The high-profile incidents "woke a lot of organisations up" to the simmering threat, igniting "panic buying" of defence systems as top executives looked to assure their boards that their systems were protected, says Jonathan Ho, an analyst at William Blair.

Within 19 trading days of the revelations of the Target breach, the index that underlies the HACK ETF rose 15.1 per cent. It surged another 44 per cent from then until the middle of 2015.

After the post-Target spike, however, growth seemed to taper off, Mr Ho said. The shift among investors from enthusiasm to reality is apparent in the erratic share price performance.

The index tracked by HACK jumped by a fifth in 2014, but ended 2015 with a slight loss. Last year, it ticked up 3.2 per cent. That compares with rises of 14.7 per cent, 3.6 per cent and 10.1 per cent, respectively, for MSCI's gauge of tech stocks across developed markets.

Hack see-saw



* Target hit during holiday shopping season
FT graphic Sources: Bloomberg; McAfee Photos: Bloomberg

Capital markets

Bond syndicates face Mifid II rules overhaul

ROBERT SMITH

Bankers who help companies and governments raise debt are starting to grapple with regulations set to come into force next year: a demand to justify decisions about which investors get to buy a bond.

The rule, part of the EU's Markets in Financial Instruments Directive II regulation, is forcing banks to change the way they sell bonds in the primary market as regulators push for greater clarity on how dealmakers operate.

The update to the Mifid rules takes effect in January and has implications across European financial markets, with much of the focus on the way banks charge for research and ensure transparency in secondary market bond trading.

"There has been so much regulation coming across syndicate bankers' transom over the past few years, that many of them haven't really begun focusing on the dramatic implications of Mifid II until recently," said Ruari Ewing at the International Capital Market Association.

Investment banks face having to be much more open about areas as sensitive as allocation and fee disclosure when selling debt for government entities and other issuers of bonds in Europe. And this fresh regulatory burden comes after banks already had to make significant changes to the way they market debt securities last year because of the EU's Market Abuse Regulation.

"It's important that we develop ways to comply with the new regulation that do not slow down the new-issue process or dissuade companies from raising bond finance altogether," Mr Ewing said.

European debt syndicates are in varying states of preparedness for complying with the rules.

The European Securities and Markets Authority, the EU regulator, has said that, under the rules, bond syndicates "must provide a justification for the final allocation made to each investment client" and banks are developing drop-down menu systems to speed up this process.

But if banks try to do this for each investor while a deal is live, it will make intraday bond pricing unworkable.

General Electric's €8bn raised last week drew about 300 orders for each of its four tranches, according to bankers. Even if it took just one minute to justify each investor's allocation, it would have taken 20 hours to clear the 1,200 lines in the order book.

Bankers are hoping that they will be able to justify a broad approach by the same means, only having to justify individual allocations that deviate from the norm by a certain threshold. Crucially, many believe they will have time after the deal closes to complete the process.

Mifid II will also mean banks have to disclose their fees for arranging bonds in Europe for the first time.

This already happens on Securities and Exchange Commission-registered bond deals in the US, where fees are more standardised but generally higher than in Europe. The need to disclose fees could dissuade banks from offering to do prominent deals for little cost, a practice that is rife in hot markets.